

EUROPEAN NEWS

Optimism in France on Airbus talks

By Robert Mauthner

PARIS, Sept. 27.
BRITAIN AND France made slow progress today in their attempt to reach agreement on the terms for British entry into the European Airbus consortium.

After talks last night between Mr. Eric Varley, the Industry Secretary, and M. Joe Le Theule, the French Minister of Transport, it was clear that there had been some movement on both sides. But the mood was decidedly more optimistic in the French camp than in the British.

While Mr. Varley confined himself to describing the meeting as "constructive," French officials considered that the negotiations were moving towards an acceptable compromise.

For the moment no further ministerial meetings have been planned but discussions will continue at official level and, possibly, between representatives of the French, West German and British aircraft industries. But the French continue to insist that an early decision is vital even if the original end-of-September deadline set by Airbus Industrie is extended by a few days.

The French, according to authoritative sources here, appear to be prepared to drop their original demand that British Airways, which recently opted for the new Rolls-Royce-powered Boeing 757, should place firm orders for either the old B-2 and B-4 versions of the Airbus or the new 200-seater A-310. But they will do so only if the UK also makes some concessions, such as increasing its contribution to the development costs of the new Airbus. Under an agreement reached by British Aerospace with the present Airbus partners, Aerospatiale of France and Deutsche Airbus of West Germany, which was approved by the British Government at the end of last month, the UK's contribution was fixed at £50m. This would give it a 30 per cent share.

However, the agreement was made subject to the approval of the French and West German Governments.

Bonn confident EMS can begin on time

BY JONATHAN CARR

WEST GERMAN Government with enlargement of the Community than with the establishment of the European Monetary System itself, is of giving the EIB a bigger role specifically to help start of next year as scheduled, the economies of southern Europe.

It is emphasised that the system is not itself intended to be either an instrument for transferring resources in Europe or of supplying credit on markedly more favourable terms than are available.

But it is recognised that in connection with the birth of the new system a stronger role may be given to existing European institutions for spans of up to two years which, for example, legal

One idea — of particular problems involved in establishing the interest rates of subsidising the interest rates on loans provided by the European Investment Bank has been taken to go ahead, it

(EIB). Another, connected more

get underway with an agreement between central banks, along the lines already existing for the currency snake.

That implies a commitment by participating central banks to unlimited quantitative support for the weak currency of a member state, but with the credit provided for the support operations repayable according to a fixed timetable.

It is not excluded that this timetable might be somewhat different in the new system from that in the snake and it is recognised that the monetary fund will also be used to provide longer-term credits for countries with balance of payments difficulties.

It is not planned, however, to extend the timetable for repayment or to weaken the conditions as to create a large additional source of inflation. Nor is it intended to try to prop

up artificially and indefinitely the currency of a member state against a fundamental economic trend.

The Germans see the key point of the system in shielding nations from short-term currency instability, to benefit trade and encourage business confidence. Like the snake, the new system will provide for revaluation or devaluation when essential.

The fear that the proposed system would act as a giant inflation machine was widespread among West German bankers and other businessmen in the weeks after the Bremen accord, which, although detailed, left several key matters unclear.

This concern even extended to the Bundesbank — although its top leadership was informed about the plan from the start and expressed a favourable view — provided certain conditions were fulfilled. It is now clear

that much of the worry has been dispelled not least by the Franco-West German accord in Aachen earlier this month. The two countries had appeared to be in dispute on a key point.

The French, in common with

the British and Italians

wanted a flexible basis for intervention. This would have split

dangers for West German money supply in particular. The Germans wanted a tougher system.

In retrospect, the affair seems

not have been caused by a fundamental policy difference.

It is this year.

The Arab oil-producing

countries could not continue

hoping for a system which at

to tolerate the increasing

adverse effects of the erosion of

French franc has twice had to

drop out. That hope has not

been realised. Nonetheless,

the Germans believe they will have

French support as the final

details of the new monetary

system are ironed out.

Ministers are due to meet in Abu Dhabi in December.

Sheikh al-Khalifa was opening

a three-day conference in Oslo

co-operation between Scandi-

avia and the Organisation of

Arab Petroleum Exporting Coun-

tries (OPEC).

Experts estimated that the

price they receive for oil, ex-

pressed in 1973 dollars, was little

more than half the current price

of \$12.70 a barrel for OPEC

marker crude (on which prices

are reckoned), he said. The

OPEC states were also facing

soaring costs for technology and

capital equipment, and being

victimized by the discriminatory

policies of their main

suppliers.

Negotiations for a better

international economic order had

failed, as had talks on better

terms of trade for raw material

exports from the developing

countries.

The means open to oil pro-

ducers to correct the imbalances

was to adjust oil prices upwards,

he said.

The Kuwaiti Minister also com-

plained that the industrialised

countries were applying discrimi-

natory policies to deprive the

oil producers of reasonable

access to world markets for re-

fined products, petrochemicals

and fertilisers. The Arab coun-

tries were, however, determined

to gain a larger share of down-

stream operations.

The removal of trade barriers

and quantitative controls against

Arab products would be a quid

pro quo for the fulfilment by the

UK crude production, Page 4

For a year, Iraqis required their sons to

die and soldiers U.S. subversives

have been sent to New York.

Second class readers read at

New York.

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Irish steel plan believed under EEC discussion

BY STEWART DALBY

IN AN unexpected move the products will be non-complementary. EEC Commission is thought to vary steel items. In this way it is considering a plan which the rationalisation plan to limit further increases in European steel output so strongly development plan has involved the installation of continued billet casting machinery at a cost of around £40m.

The agreement involves a swap between a French concern Société Métallurgie de Normandie (SMN) under which the French company will sell products of Irish Steel in France and other EEC countries, while Irish Steel will market SMN products in Ireland.

The idea is that the swapped increase in output of £300,000

DUBLIN, Sept. 27.

should be for the companies to finalise terms.

The tentative idea is that Irish Steel's plant will boast its output to 120,000 tonnes.

The scheme goes a long way towards fulfilling the target for

discussed with the Coal and Steel Fund will be forthcoming.

When it proposed its development plan Irish Steel met stiff opposition from Viscount Davignon who, in a heated Dublin news conference, said the scheme was unacceptable since there could be no increase in output for steel in the Community. It remains to be seen whether a project £20m loan

is still a military man dedicated to pursuing the revolution begun with the military coup of 1964.

Brazil's major Government ministries are run by civilians, products of the world of business and industry, who, in several cases, enjoy far more autonomy than a British Cabinet Minister or a member of the U.S. Administration. The Palace of Planalto, the presidential seat in Brasilia, nevertheless imposed from above when it feels the need. To what extent General Figueiredo will do this will depend on his eagerness to control as many facts of Government as possible, and on the ambitions and determination of his future close advisers. President Geisel's advisers have wielded extensive powers—and the majority are military men.

Because General Figueiredo has already shown a taste for getting out and about in civilian life there are expectations that his administration might be more open to consultation than his predecessors.

Hence the need to maintain the exploration momentum next year. Proposals have been made for a nuclear power station in Ireland which have caused considerable controversy. "These proposals do not pass the point of no return for 18 months or so," said Mr. O'Malley. "That would give us one and perhaps part of another drilling season."

He acknowledged that the current negotiations for new licences were to some extent inspired on the Government side by the desire to see drilling activity maintained. "But I don't want to give the impression that we would weaken our position to get more exploration. We'd like to maintain the same basic terms."

A major oil discovery in Irish waters would mean that the Government's energy proposals would have to be "radically re-written," said Mr. O'Malley.

A discussion document on energy published by the Irish Government in July notes that the country is "energy-deficient" with a near 75 per cent dependence on imported oil which "leaves us dangerously exposed in the event of any disruption... to oil supplies," but says it would be premature to assume

that energy problems would be solved by an oil find.

Yet Ireland's entire present oil requirements could be met by a field producing 100,000 barrels a day, a small field by North Sea standards. Through the hazardous weather and deep water in the Porcupine area would mean that exploitation of a discovery there would inevitably be expensive and technically difficult.

Mr. O'Malley's statement comes at a time when the Irish offshore drilling season is drawing to a close. With 15 wells drilled it has been Ireland's most active drilling year with the biggest exploration programme off western Europe in 1978.

But results so far have been disappointing. Of 11 wells completed to date, none have shown significant indications of oil or gas although several have shown non-commercial traces of oil.

Hopes rest on four wells yet to be completed in the Porcupine Trough, in the Atlantic over 100 miles off Ireland's west coast.

One of these wells, drilled by Deminex Ireland on block 35/8, is not expected to be completed until the end of October. But announcements on the other three—the Aran/BP group on block 28/22, Elf Aquitaine on block 35/2 and the Phillips Petroleum on block 35/8 will probably be made this month.

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AMERICAN NEWS

Marshall sets deadline for rail strike solution

BY STEWART FLEMING

AMID growing fears that a clerks' strike could bring the U.S. railway system to a halt, the Carter Administration entered the dispute today.

Mr. Ray Marshall, U.S. Labour Secretary, announced that the Administration would give the Rail, Truck and Western Railway and the Brotherhood of Railway and Airline Clerks (BRAC) 24 hours, until noon tomorrow, to resolve the strike.

If this deadline passes without an agreement both sides can expect with certainty that the Administration will take further action, he said.

The dispute between the Rail, Truck and Western, a major railway with operations in 16 States, and the union has been simmering for two years, with the union demanding job protection against automation of clerical functions.

For the past two months the clerks have been on strike and the railway has been operating with only supervisory personnel.

In recent weeks, however, BRAC, claiming that the N & W has not been negotiating in good faith, has been sending

NEW YORK, Sept. 27.

clerks to other railways which intersect with the N & W. Yesterday, the impact of picketing grew dramatically.

According to the American Association of Railroads, about 80

Pickets were being pulled

from the Burlington Northern

system, was halted, with con-

tractors in places as far apart as the Chicago and North Western Rail-

road and the Chicago, Milwaukee,

St. Paul and Pacific Railroad.

A major concern, however, is

the impact such a strike could

have on industry and food sup-

plies throughout the U.S. in a

matter of days.

General Motors and Ford, the

two biggest car makers, said

today that they are already trim-

ming production schedules at

plants where parts are in short

supply.

The overall situation is com-

plicated by moves by other

independent railways including

Union Pacific and Burlington

Northern, two of the largest, to

get court injunctions against the

pickets.

There were some indications

early today that these moves,

coupled with the Labour Secre-

tary's intervention were having

an impact in easing the picket-

ing which in turn will allow

railways hit by the sympathy

action to resume.

Mr. James Reynolds, a spokesman for the Admistration, said:

"The dispute between the Rail,

Truck and Western, a major railway

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ICFC

ICFC Warning: A short-term loan can damage your health.

If you're using short-term borrowings for short-term purposes, fine.

But if you're using short-term borrowings to finance your long-term plans, you're dicing with death.

It's the prerogative of anybody who lends short-term to demand his money back anytime he likes.

Which, if you happen to be in the throes of building a factory, could be fatal.

We have a healthier plan.

We'll make you a loan at fixed interest.

Or provide you with a lump sum by subscribing for new shares or purchasing some of your existing ones.

Or work out with you the best combination.

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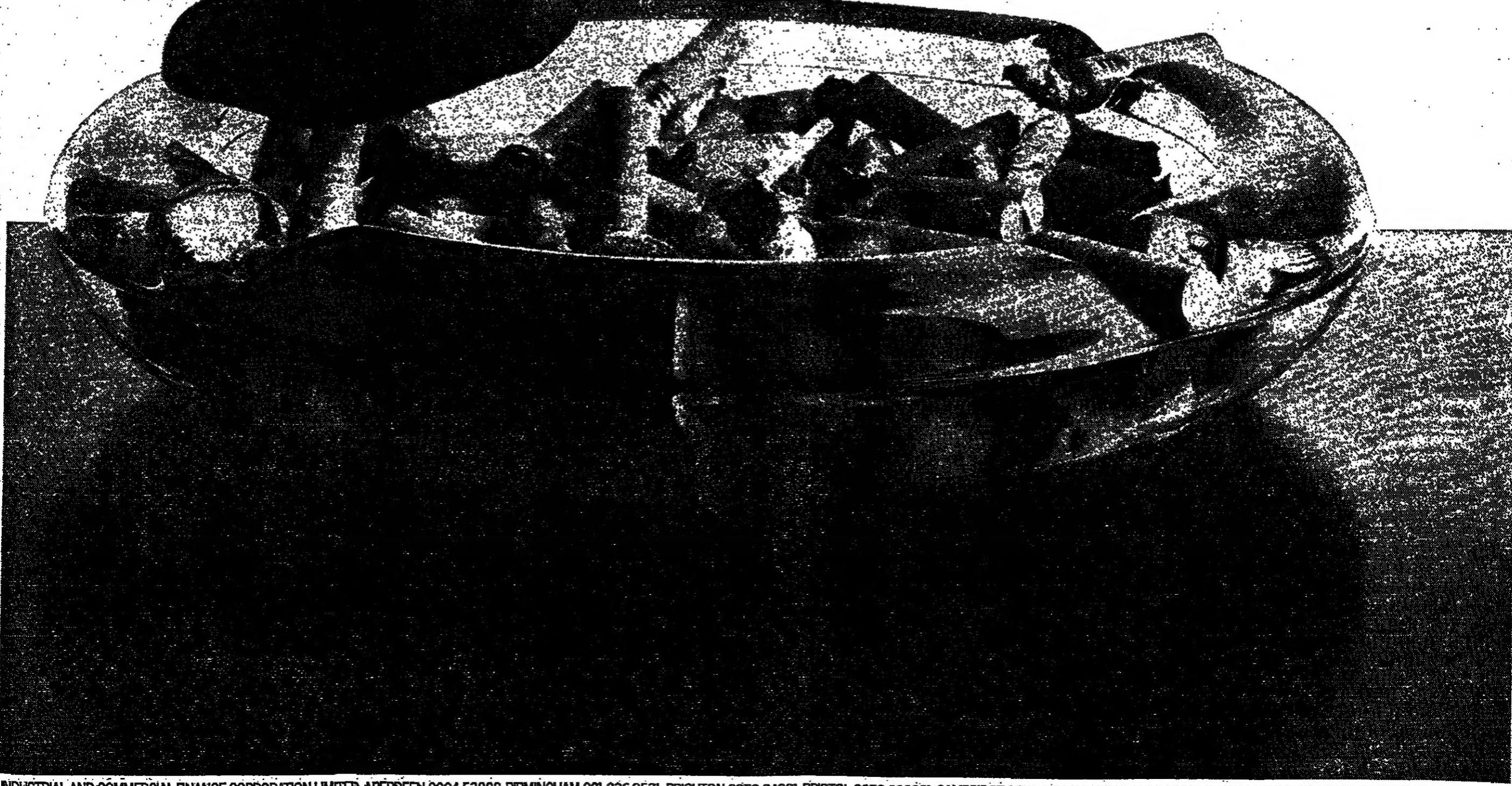
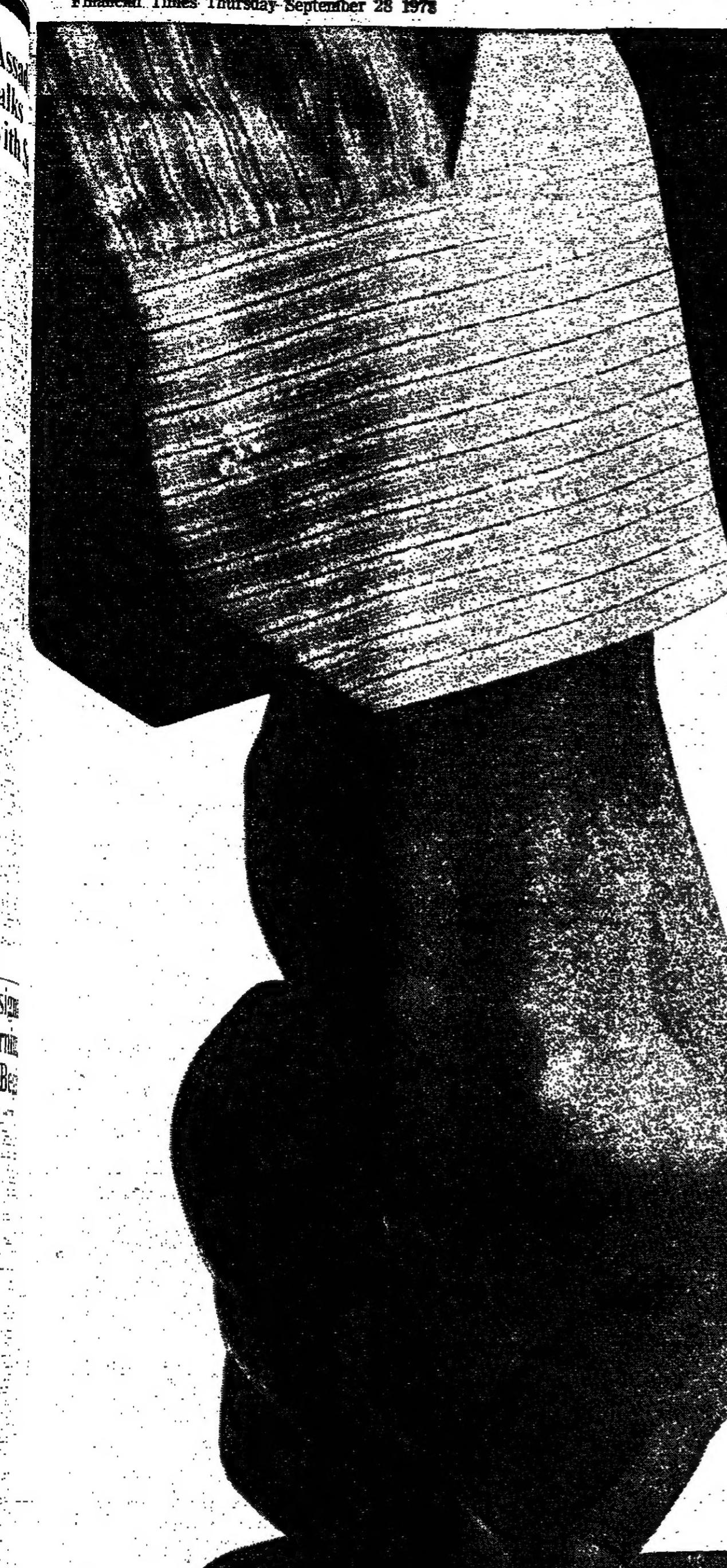
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of long-term money.



WORLD TRADE NEWS

Nippon Electric and RCA win Soviet TV contracts

BY DAVID SATTER

THE SOVIET Union has concluded contracts with Japanese and U.S. companies for technology and equipment to upgrade second most sought after consumer items after private cars.

The entire country can receive orders with two British manufacturers for the supply of loudspeaker units for the Sputnik television transmissions speakers that will be marketed under its brand name in Britain.

Two Japanese concerns, Nippon Electric and Kanematsu-Gosho have signed a contract with the Technopromexport approach of the 1980 Olympics.

Mr. S. Y. Voron, vice-president of Licensors, said that the aim of importing American contracts are expected to be worth \$85m for a colour TV picture tube manufacturing facility.

The plant will have two production lines with a capacity of 1,500,000 picture tubes producing three 20-inch tubes to every seven 26-inch tubes. It will take two and a half years to complete but the location of the plant was not disclosed.

The American company, RCA, at the same time, has signed a contract worth more than \$25m with the Licensors, foreign trade organisation for a colour television picture tube plant to be set up at Voronezh, where several other television manufacturing plants are to be located.

This is RCA's first major project in the Soviet Union since the pre-war period when RCA built an electric bulb plant in Moscow. Its recent activities have been limited to finished products sales.

RCA has also concluded a ten-year scientific and technical co-operation agreement with Licensors covering the exchange of patents and licenses for the have been increasingly unable to communications equipment.

ITT in Brazilian deal

BY SUE BRANFORD

SAO PAULO, Sept. 27.

COLORADO Radio e Televisao, competitor with the flood of cheap televisions, radios, tape recorders and record players, mainly imported from Japan, that have swamped the market.

Colorado and Gradiante, a manufacturer of sound equipment, were the only two large Brazilian companies to have resisted the onslaught.

Standard Eletrica, ITT's Brazilian subsidiary, used itself to manufacture black and white televisions in Brazil. However,

it discontinued production over 10 years ago when ITT decided to pull out of the sector of electronic and electronic household goods and concentrate on telecommunications equipment.

Petrochemical plan goes ahead

BY DIANA SMITH

RIO DE JANEIRO, Sept. 27.

CONTRACTS have been signed Brazil's oil monopoly, Petrobras in Washington for a \$95.5m which, as in the second petrochemical complex (in Camacari Bahia State) will be the linchpin of the raw materials unit, and take through Copesul, a one-third share in the downstream units.

Another \$24.7m will be supplied by the Brazilian National Economic Development Bank, as part of the new complex will amount to \$847m. Apart from the contribution of the IDB loan, \$334.4m will come from the IDB's own resources, this second part will take a one-third share in the downstream units.

The total cost of the new complex will amount to \$847m. Apart from the contribution of the IDB loan, \$334.4m will come from the IDB's own resources, this second part will take a one-third share in the downstream units.

Rotterdam to aid Third World

BY CHARLES BACHELOR

AMSTERDAM, Sept. 27.

THE PORT OF Rotterdam has opened a bureau to coordinate Rotterdam's own activities with those of developing countries faced with harbour problems.

The Dutch port, which is the largest in the world, has already received a large number of enquiries from African and South American countries.

Rotterdam's reputation meant it was often asked to aid developing countries and it has opened an office this month to coordinate these activities. A port spokesman said: "Director of the new office is Mr. Peter Ten Arve, who has experience of working on development projects."

The Dutch port expects to advise on management problems, on the "wet" and "dry" infrastructure, storage and transhipment, traffic control, training and labour relations.

This fits in with Dutch Government policies on aid to Third World countries but will also add to Rotterdam's expertise and

Librium prices to increase

BY OUR OWN CORRESPONDENT AMSTERDAM, Sept. 27.

HOFFMANN LA ROCHE, the July 1977 for a two-year period. Swiss pharmaceuticals manufacturer, may increase prices of its Librium tranquiliser by an average of 8 per cent in Holland, the Economics Ministry said.

This represents an easing of the policy towards the pharmaceuticals company after the Hoffmann La Roche last year Dutch authorities ordered cuts of 13 per cent, to 38 per cent in over the two-year period.

Air Canada: Right Answer No 1

Imagine you need 2,000 calculators for your chain of stationers. You want to import them from Taiwan. Sea takes too long. Air freight would be best, but you'd like to cut the cost. What does your cargo agent do?

Call Air Canada Cargo

The right answer is Air Canada's Sea-Air service from the Far East. It's faster than sea, cheaper than air. Sea-Air can deliver the goods in just two weeks. That's a third of the time taken by all-surface transport. The calculators will be shipped to Vancouver in one of Air Canada's own 'sea-van' containers, then transferred onto one of Air Canada's wide-bodied jets or DC8 freighters for Britain.

More to offer

Just one example of how Air Canada offers a better service for cargo. We're the airline that flies to more places in Canada than anyone else. 31 in all, and another 10 in the U.S.A. Our ACCESS computer is probably the most sophisticated cargo tracking system in

the world. And whatever your shipment, one of Air Canada's wide range of containers will be the answer. The right one.

Give us a call

Ask your cargo agent about us, or give us a call on one of these numbers:

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Dublin.....771488

The Right Answer

AIR CANADA CARGO



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Initial Services



"To ensure you receive the same towels every week my wife will personally embroider your initials on them"

Mr A. P. Bigelow 1903

When the enterprising Mr Bigelow introduced his towel rental service to the business establishments of London, he also introduced the system of identifying every towel with the customer's own initials. Quite naturally, he called his new company The Initial Towel Supply Company.

Now it's Initial's 50th Anniversary as a major public company... in fact, seventy-five years since Mr Bigelow first brought to Britain the idea of personalised towel rental. We thought it high time we paid tribute to the originator of such a personal service by restating the promise he made to each of his customers in 1903.

It also gives us an excellent opportunity to remind everyone that although the range of Initial services has grown and now we are one of the biggest hygiene service companies in the world... we still identify every customer's towels, and it is still a most personal service.

We think Mr Bigelow and his wife would approve.



The Initial team today bring you towels, soaps, workwear, air fresheners, floormats....plus a tailor-made plan to suit your business exactly.

HOME NEWS

UK fights EEC plan on steel financing

BY IYOR OWEN, PARLIAMENTARY STAFF

BRITAIN is taking the lead in opposing a draft EEC Commission directive which would impose new restrictions on the financing of the iron and steel industries.

Mr. Eric Varley, Industry Secretary, claims the Commission's proposals fail to take adequate account of the differing needs of public and private steel.

A major point at issue is whether the draft directive would interfere with existing arrangements under which the British Steel Corporation is able to obtain funds from the Treasury to finance its investment programme.

The Commission's proposals form part of its general approach to the problem of reducing excess capacity in the Community steel industry, but Britain, with support from Italy, objects because they appear to be tailored to the requirements of

the private sector.

The first public intimation of the firm stand was taken by the British Ministers came yesterday in a report by the Commons' Select Committee on European legislation. Mr. Varley is reported to have said that differences within the Council of Ministers make it unlikely that the draft directive will be adopted in its present form.

Delicate

He also said that Britain felt any agreement on the restructuring of the Community steel industry must precede new restrictions on the financing of steel concerns.

Ministers take the view that if the draft directive were to be implemented as it stands, it would add a new dimension to British Steel's already serious financial problems.

Government broke promises over tax rise, claims Shell

BY SUE CAMERON

SHELL YESTERDAY renewed the oil industry's attack on Government plans to increase North Sea petroleum revenue tax from the present 45 per cent to 60 per cent.

Mr. Michael Pocock, chairman of Shell Transport and Trading, accused the Government of breaking promises made to oil companies when the tax was introduced in 1975. He said the industry had been assured that the tax would not be increased unless the value of oil changed in real terms.

Now the Government was planning to put up the tax by 15 per cent while at the same time reducing capital expenditure allowances. Mr. Pocock said the proposal showed the "naive attitude" of Ministers and he added that while businessmen had to be prepared for tax changes they could not be expected to plan for "broken promises".

The Government announced its intention to raise the tax at the beginning of last month. The plan, which would increase Government revenues from the North Sea by an estimated £2bn over the next seven years, brought immediate criticism from the oil companies which said the additional burden could undermine the industry's confidence. Ministers hope to implement the tax changes next spring.

'A sham'

Mr. Pocock, who was speaking at the seventh World Planning Congress in London, said the planned tax increases was typical of the "insidious tendency" of governments everywhere to shy away from all forms of risk. The British Government was prepared to subsidise companies so that they could keep their "heads above water" but as soon as any to reduce the risk of industrial development in the name of environmental safety.

He stressed that successful businesses depended on people taking risks but he warned there was a danger of industrialists deciding to jump on to the "risk-free bandwagon". Yet clearly, if we are to grow the world needs nuclear energy, he said.

He pointed out that attempts to disrupt economic fish."

to expose for the sham it was development in the name of environmental safety.

"We see nuclear plants virtually stopped in Sweden, the U.S. and Germany despite an excellent safety record," Mr. Pocock said.

"Yet clearly, if we are to grow

the new company is essentially the brainchild of Mr. Mike Dibb, its managing director who was previously head of Renter Nationwide, a subsidiary of Craven Fruehauf, the trailer manufacturer, and one of the largest companies in the UK trailer rental field. Two fellow directors, Mr. Jim Morehead and Mr. Geoff Markham, and other key executives were also previously with Renter.

Trailerent has already established branches at Rainham and Slough, in the south of England.

It will open a third in the Midlands in October and plans a national network of branches, possibly through the acquisition of some regionally-based companies.

Within five years it hopes to

Petrol price regulation in force in December

BY SUE CAMERON

REGULATIONS designed to stop garages misleading motorists will also cover the style, boldness and colour of prices expressed in decimal.

The regulations, which will come into force in December, will enable motorists to see exactly how much extra they will have to pay when garage charges a higher rate for gallons of petrol than for gallons of

petrol. The rate for part-gallons as well as full gallons, if the figure is different in lettering, will be shown in the name of the petrol.

Other lettering, showing the grade of petrol or conditions of sale, will have to be at least 8mm high—on a car number plate. When garages use year forbidding garages from displaying "Km Off" without the figures will have to be at least half the height of the whole of the petrol.

Electricity bill subsidy will cost £45m

By Our Energy Correspondent

THE GOVERNMENT is making £35m available to help cut electricity bills this winter for people on low incomes.

Garrages are not obliged by law to display petrol prices but Mr. Robert Maclean, Parliamentary Secretary for Prices and Consumer Protection, said yesterday that most did because it encouraged trade. Those that did not were usually the ones which charged higher prices and most motorists were aware of this.

The regulations are being brought in under the Petrol Grade of Petrol or Conditions of Sale (Display) Order 1978. They follow a similar Order 80 mm high—on a car number plate. When garages use year forbidding garages from displaying "Km Off" without the figures will have to be at least half the height of the whole of the petrol.

The regulations are being brought in under the Petrol Grade of Petrol or Conditions of Sale (Display) Order 1978.

Previously, the scheme was confined to people receiving supplementary benefit and family income supplement. Now it has been extended to include people receiving rate and rent rebates and rent allowances.

MR. COLIN LEACH is resigning

as managing director of Ariel,

the computerised share-dealing

system which at one time

appeared as if it might challenge

the Stock Exchange.

Mr. Leach helped to create

Ariel and has been with the com-

pany since it started four years ago.

The reason given for the

resignation is his appointment as

an executive director of Fidelity

Management and Research (UK),

the London affiliate of a Boston-

based investment management

company. Mr. Leach wishes to

return to investment manage-

ment.

Ariel subscribers deal through

computer terminals in their

brokers and jobbers of the Stock

Exchange.

The dealing costs of Ariel are

less than those of the central

market but the system has had

difficulty in obtaining more than

a small fraction of the Stock

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HOME NEWS

UK bolt producers seek import controls

By JOHN LLOYD

ITAIN'S manufacturers of fasteners, the first of its kind to industrial fasteners—the rivets, nuts and bolts, the economy—fear that their industry will suffer from severe contraction and unemployment unless controls are put on imports of fasteners from the Far East, and "fair trading" is ended within the European community.

Many manufacturers believe if action is not taken the standard types of fasteners—which form the largest part of the £400m UK market—will be generally imported in three or four years' time.

The British Industrial Traders Federation will present an eight-point action programme to the Government at ensuring their share of the market which is more than 50 per cent.

The key points in the programme are a call for "some controls on fastener importation in the Far East, which has been increasing rapidly," and retaining the ability to compete on an equal basis with our European trading partners.

Imports of cheap, standard products—especially from Taiwan—have increased sharply in the last four years. Last year, the European Commission ordered a 10 per cent duty on Taiwanese steel show up in official figures.

and also because they are consciously aiding their own industries.

It is seeking meetings with officials in the EEC Industry Commission, and in the Competition Commission, next month.

Mr. Ken Peplow the director of the federation, said that BSC supported the action, and that officials from BSC might accompany the industry's delegation to Brussels.

The federation points to the fastener industry in the U.S., which has been largely destroyed by cheap foreign imports, with 70 per cent of the domestic market now being taken by imported fasteners.

Under the legislation covering football pools, companies involved do not have to disclose profits so long as they do not exceed 3 per cent of turnover.

In the last football season Littlewoods achieved a turnover of £183m from pools, which suggests a profit level of just over £5m. But as this is not directly comparable with the 1977 financial year for the retailing side of the company, an accurate estimate of the group's retailing profits cannot be made.

Even so, the general increase in retailing sales and profits in 1977 are a measure of Littlewoods success during a period

of difficult trading conditions.

The chain stores division, which now has 106 stores, achieved sales of £257m—up by 17 per cent—and increased its share of the market.

Average High Street retail sales were about 14 per cent up during 1977.

The mail order division achieved its best ever year, with sales up by more than a quarter to £435m. The division publishes six small order catalogues—Littlewoods, John Moore, Brian Mills, Burlington, Peter Craig and Janet Frazer.

Littlewoods which is owned by the Moore family, has continued its usual practice of retaining the bulk of profits within the group to finance future growth. Some £21.7m of the £22m profit available after tax in 1977 has been retained to finance new buildings and equipment.

Mr. Peter Moore, the group chairman, in a report to staff, criticises intervention in the retailing industry by both the UK Government and the EEC.

"If many of the measures proposed by the European Commission are implemented, these will interfere significantly with the freedom of the retail trade," he says.

Littlewoods pushes pre-tax profits up to £46.8m

By DAVID CHURCHILL

THE LITTLEWOODS Organisation, the largest private company in Britain, yesterday announced sharp rises in turnover and profits for its stores and mail order retailing operations.

The company achieved retail sales of £522m in 1977, a rise of 17 per cent, and produced pre-tax group profits up by 25 per cent to £46.8m. But the true profitability of the retailing divisions is masked by Littlewoods refusing to say how much of group profits was due to its pools activities.

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N. Sea crude oil production rising

By KEVIN DONE

BRITAIN'S CRUDE oil production from the North Sea should exceed 50m tonnes this year, according to figures released by the Department of Energy.

Production last month totalled 4.857,775 tonnes, an increase of 49,225 tonnes over July.

The average for daily crude oil production last month from the ten oilfields now on stream in the UK sector was 1,103,931 barrels a day. This compares with 1,092,328 barrels a day in July.

Production for the first eight months of 1978 totalled 32,216,509 tonnes. The UK is expected to reach self-sufficiency in crude oil late next year or early in 1980, when about 100m tonnes a year will be coming ashore.

This year's production should rise sharply again when Union Oil's Heather Field comes on stream. Oil from this field and from Dunlin Field is expected to start flowing into the Sullom Voe terminal in the Shetland Islands in October or November.

Production from the Norwegian sector of the North Sea for the first eight months of this year totalled about 19.2m tonnes of oil equivalent, compared with 3.5m tonnes in the same period last year.

Fire damage

£5m down in August

By ERIC SHORT

EARLIER yesterday Mr. Brewster visited the factory. General Instruments Micro-electronics, where he saw a new automated telephone system developed by the company for Europe using micro-computer "chips" made in the town.

Figures issued yesterday by the British Insurance Association show that fire damage in August at £17.3m was £2.3m higher than in August last year, and that damage so far this year at £188.1m is 26 per cent higher than over the corresponding period in 1977. However, the

company predicts a tremendous impact on several markets, particularly where cables are used for military and defence purposes, on modern railway systems and in other situations where toughness and durability are of paramount importance," he said.

Part of the new development, which will create 20 jobs, over the next 18 months, will be a chamber with concrete walls 5 ft thick in which insulated cables will be passed through a beam of electrons.

The company makes specialist polythene carrier bags for multiple retail stores, supermarket and fashion stores, as well as for small market and general traders. It is to use the WDA stake, employed in the form of a share and loan deal, to buy new machinery for increasing production to 0.5m bags a day.

Four new units

DB Plastics moved to the Caerphilly Industrial Estate, Caerphilly, from London two years ago, since when the workforce has doubled to 60 people.

In mid-Wales meanwhile, the WDA's country cousin, the Development Board for Rural Wales, announced it is to build four new factory units in Welshpool Powys. They are due to be completed in about six months' time at a cost of some £750,000.

Glenrothes claims to have the highest concentration of American companies of any town in the UK. There are now 14 US firms in the town employing 3,000 people, many in advanced technology occupations.

The three film fires last month were at an office equipment and electronic company in the South East and at a department store in the South. There were six other fires where damage exceeded £250,000 in each case. A further 65 fires costing more than £35,000 each, included 31 in cinemas, schools, shops, social clubs and theatres.

value for January was affected by the tail end of the firemen's strike.

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The value of retail sales was still very good, it said.

Ford to invest £200m in UK on trucks

By KENNETH GOODING

MORE THAN HALF the £400m In the shorter term Ford expects to spend replacing its fleet of UK truck registrations this year to reach about 70,000, well above forecasts of 64,500 made at the beginning of this year and the 61,486 recorded in 1977.

Ford has held UK market leadership for commercial vehicles and tractors for several years. Whether or not it gets the "triple," adds cars to the list in 1978 obviously depends on the current strike being settled fairly quickly.

By the end of August Ford was well ahead of its nearest rival, BL, with 49,000 more cars registered.

Changes to the long-established "D" series trucks, which are in the six to 28 tonnes range and of which Ford sold 12,716 last year, aim particularly at fuel economy.

The group makes similar claims about the revamped Transcontinentals. It sold 280 of these very heavy trucks in 1977. New Cummins Series-E engines are being fitted across the range for a fuel saving of at least 10 per cent, says Ford.

Dalers in the UK have more than 200 of the new "D" series trucks, made at Langley and using cabs from the Southampton plant, in stock for the launch. The Transcontinental is assembled in Amsterdam mainly from Continental components. Ford is considering postponing advertising the new trucks until it sees how seriously the UK strike might hit output.

Many traders 'failing to declare full VAT'

By DAVID FREUD

ABOUT A THIRD of registered traders under-declare their VAT liability by an average of more than £500 a year each.

Mr. Jack Leeming, Director of VAT Administration, told a conference on the tax in London yesterday that on the other side of the coin nearly 5 per cent of traders over-paid the tax by an average of about £250 each.

This was discovered by VAT officers making routine visits on traders.

The department was also thinking of introducing a brief booklet for the new trader who had many problems to cope with besides VAT.

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Mr. Leeming said VAT was a simple tax and for most transactions there were few difficulties.

The Scottish Development Agency is making a £3.5m loan towards the project and the Government is contributing £1.5m in regional development grants. The new factory will start operating in 1980.

Work starts on £8m factory

AN £8m ENGINE maintenance centre being built for Caledonian Airways—parent company of DBS—operating DC 10s, Boeing 747s and A300 Airbuses, which use the same engine.

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LABOUR NEWS

Unemployed men face 17-week hunt for jobs

BY PHILIP BASSETT, LABOUR STAFF

NEWLY-UNEMPLOYED men level, but lags behind it. The must expect to remain jobless level of unemployment and the median duration of current unemployment were falling in the last six months of 1973, for example.

The Department says the trend of the expected length of unemployment is rising, despite being marginally better in January-April this year than for the last four months of 1974.

Figures for women, which for the first four months of the year showed an expected 12 weeks on the register for the newly-jobless, are lower overall. But they follow the same trend.

The figures give some support to the view widely held on the Left-wing that unemployment is becoming long-term or structural rather than following the cycles of economic prosperity.

The latest figure for the expected length of unemployment is about five weeks higher than the average figure for 1971. The first year looked at in the Department's study, the lowest expected term of unemployment was nine weeks in 1974.

The study, published in the Department of Employment Gazette, says the underlying trend in long-term unemployment for all sex and age groups in the North region, with the highest unemployment rate of 15.9 per cent, the median length linked to the unemployment was 21 weeks.

Fewer strikes, but days lost up 29%

BY PHILIP BASSETT, LABOUR STAFF

THREE NUMBERS of strikes fell these industries was 34,000, or marginally last month, though about 0.7 per cent of the total, the number of working days lost each worker losing an average through stoppages rose by 29 per cent of 10.6 hours.

Stoppages which began in August totalled 129, with another 52 still in progress at the beginning of the month, according to provisional figures in the Department of Employment Gazette.

The total, which involved about 72,000 workers, a 21 per cent fall from the previous month's figure, is in line with the general downward trend this year.

It is the lowest monthly total for 18 months. Barring the figure for December, which is always lower because of the Christmas holiday period.

Among the prominent stoppages for the month were: a dispute involving 1,500 machinists over pay at Leyland Vehicles' Bathgate plant; a strike over re-grading by 780 maintenance men at the Perkins diesel engine plant at Peterborough; and an eight-day stoppage at Southampton Docks over safety price-fixes which involved about 1,500 dock workers.

Working days lost due to stoppages in August totalled 105,400, moving up again from the 94,000 low for the year in July. Pay was the cause of more than half the stoppages.

The number of workers in production industries rose in July over the June figure, but was still lower than the total for July, last year.

The number of employees in industries covered by the Government index of industrial production was 9,093,500, up 34,200 on the previous month, but still some 60,500 lower than in July last year.

In the week ended last July 8, the estimated number of employees working overtime in manufacturing industries was 1,811,700, about 34.8 per cent of the total. Each worker clocked an average of 8.8 hours overtime in a week, giving a seasonally adjusted total of 15,720 hours overtime worked.

In the same week the estimated number on short-time in

Pay sanctions threat to local authorities

BY PAULINE CLARK, LABOUR STAFF

LOCAL AUTHORITY employers, who have been told by the Government that a 12.3 per cent pay increase for chief officers and executives is in breach of pay guidelines, may have to pay the full cost of the settlement.

The Department of Environment said yesterday that a withdrawal of the usual government contribution to annual pay settlements for this group was being considered under the Government's current policy for taking sanctions against employers who refuse to keep in line with pay policy.

Employers of the 5,000 top local government employees have already twice written to Mr. Peter Shore, Secretary for the Environment, rejecting his proposal for a renegotiation of the July Phase Three settlement.

For men aged under 18 was four weeks. For men aged between 25-44 the figure was 17 weeks. For men between 45-49 weeks.

Length of unemployment increases rapidly with age. In July 1978, the median length for men aged under 18 was four weeks. For men aged between 25-44 the figure was 17 weeks.

Length of unemployment tends to be higher in regions with higher jobless rates. In July 1978, the median length for men in the South East, with the lowest unemployment rate in the country at 5.4 per cent, was 18 weeks.

For men in the same period in the North region, with the highest unemployment rate of 8.5 per cent, the median length linked to the unemployment was 21 weeks.

Bank ballot over Christmas working

BY OUR LABOUR STAFF

THIS EXECUTIVE of the National Union of Bank Employees decided yesterday to ballot members on its recommendation that bank staff work noon on the last working day before Christmas.

The union recommendation opposes the banks' intention this year of operating normal banking hours on Friday, December 22.

The ballot is to be carried out among 14,000 NUBE members in four regions, although a decision to stop work at noon would apply nationally. Union officials say an initial survey of its members' reaction indicated that the recommendation would be overwhelmingly supported.

The union says that by custom and practice its members are entitled to 4½ days' holiday over Christmas, including half day on the last working day before Christmas. The banks say the half-day concession applies solely to Christmas Eve, if that happens to be a working day.

Last year, however, the banks closed at noon on the Friday before Christmas, even though it was not Christmas Eve. This, they say, was a deviation from normal policy and not a precedent.

It is the result of studies by the Warwick Research Unit for the Blind and is available free of charge from Monica Brett, Public Relations Department, Lloyds EC3.

NALGO backs stoppage by social workers

BY OUR LABOUR STAFF

SOcial workers, who marched through London yesterday to back their claim for local bargaining rights, were assured of full support for the strike from their union, the 710,000-strong National and Local Government Officers' Association.

The assurance was given to a strike delegation by Mr. Geoffrey Drain, the association's general secretary.

Several hundred London social workers joined the one-day strike called by the All-London Social Workers' Action Group, including workers from Southwark and Tower Hamlets where industrial action was started about six weeks ago.

A similar protest by social workers in the north of England and Scotland was staged in Newcastle-upon-Tyne, Liverpool and Leeds.

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Bonus plan at Raleigh

BY OUR LABOUR STAFF

RALEIGH Industries is introducing a bonus scheme for its 9,500 manual and white collar workers based on output related to the total workforce.

The company said yesterday that at the present rate of improved productivity the bonus could amount to about one week's pay for each employee every six

months. First payment is due before Christmas if productivity targets are met.

The bonus scheme is separate from annual wage negotiations in the company, which manufacture bicycles, components and car seats. Settlement dates for Raleigh's various plants vary with its main Nottingham complex due to settle in November.

Long-haul flights cancelled by British Airways

BRITISH AIRWAYS yesterday in the airport's central area, cancelled nine long-haul flights claiming it should have been after a walk-out by engineering staff. Jetliners at London's Heathrow walked out, about 100 men were involved. The men returned to the stoppage began when men work after a meeting with management refused to work on an aircraft agreement.

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Existing rules adequate — AA

BY MICHAEL THOMPSON-NOEL

WOUNDED AND possibly bewildered, the Advertising Association was quick to respond to remarks earlier this week by Roy Hattersley, the Prices Secretary, who told a trade conference that the Government was considering legislation against advertisers who failed to observe the industry's voluntary code of practice and suggested that the practice might have come to force advertisers who deceive the public to issue corrective advertisements.

The AA reckons that existing sanctions are adequate in most instances, "although we are prepared, in conjunction with the Advertising Standards Authority, to consider additional powers to deal with the 'pirate fringe'." It is worth remembering, however, that the Director-General of Fair Trading already has extensive powers in this area and it should be explored how these might be brought to bear for the benefit of the ASA.

The AA's comments about advertising expenditure in general, which it is pleased to agree with Mr. Hattersley in condemning the EEC Commission's proposals for a uniform system of legal control throughout the Nine, are surprising. It is, however, Mr. Hattersley's comments about advertising expenditure in general which are particularly difficult to understand. The idea of an advertising tax, for instance, has now been so thoroughly rejected that we are surprised that Mr. Hattersley has chosen to raise it again. As he himself implies, the inherent dangers make it wholly impractical.

"But it doesn't care for the concept of corrective advertising," he says. "In those countries where it exists as a sanction, in particular the U.S. and France, it has been found largely ineffective in practice from the consumer's point of view, and although it may appear to present a useful deterrent to misleading advertising, it is unsuitable in the vast majority of cases where there was no intent to deceive, and ineffective for use against a deliberate one-off offender."

"Contrary to his reference to an obsession with marketing, we believe that British industry has still a long way to go before it has a full understanding of the vital necessity of effective marketing as a means of industrial regeneration. We question whether the tone of Mr. Hattersley's speech does much to support the Government's industrial strategy."

"We would suggest that most consumers are looking for less rather than more Government intervention in their lives. Marketing people also believe that the ultimate choice must be left to the consumer, who alone will decide what products to buy or not to buy."

TV Radio 78

THE ROLE OF RADIO IN MARKETING

Eddie Blackwell, Chuck Blore, Jeremy Bullmore, Barry Day, Dr. Edward de Bono, Bert De Vos, John Freeman, Clement Freud, Henry James, Sir John Methven, Don Richman, Mike Vanderkerk, Brian Walden, Chris Wilkins, and Mike Yerushon are among more than 30 speakers at TV & Radio 78, Wembley Conference Centre (Main Auditorium) on Thursday and Friday 19th and 20th October.

For details phone Wendy Scott, 01-438 6851

SOCIETY FOR MARKETING WEEK

Honeywell plants to vote on pay strike

By Ray Perman, Scottish Correspondent

he would have "to take this into account" when considering the size of rate support grant to be paid under the increase order later this year.

The letter specifically referred to a proposal to withdraw some £3m from the total contribution that would otherwise be determined — a figure which represents around 61 per cent of the total bill for a 10 per cent pay increase at the normal rate of Government contribution.

The local authority employers have argued that a renegotiation of the settlement would upset their white collar pay scales and that their top employees have received no more than the Phase Three increase awarded to senior civil servants.

At the same time they are under little financial pressure to renegotiate the deal. An extra £3m can probably be easily absorbed in their total wage bill of some £8m.

Mr. Shore was, however, made it clear to the local authority employers that action is being contemplated. In a letter to the board he warned that if they were not prepared to renegotiate

extra on basic rates, a 35-hour week and other benefits.

Teachers seek role in courses

By Our Education Correspondent

STRONG UNION influence in the planning of courses in polytechnics and further education colleges is demanded today in a policy statement by the National Union of Teachers.

The statement broadly supports the Government's plan to set up a new national body to co-ordinate state higher education outside the universities.

But the union opposes the Government's proposal to choose the eight to 10 "academic" representatives on the new body.

Hostility pay?

WHILE-COLLAR civil servants working at the Windscale atomic plant in Cumbria have been awarded a "hostility" allowance for working there to bring into line with the industrial civil servants at the plant.

Their argument is that the cost of gas in the province is three times as high as in Great Britain.

The Northern Ireland Economic Council is soon to announce proposals about the future of the gas industry. Its recommendations are already with the Government.

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The Northern Ireland Economic Council is soon to announce proposals about the future of the gas industry. Its recommendations

The Marketing Scene

Pal and Persil on the mind

MISS X writes: "I am soon to marry and want to do an interest in their claims. I'm going to use Persil now that I know leading manufacturers recommend it."

Mr. Y: "I must confess I have occasionally bought other brands but now that I know PG Tips tea bags are the biggest I will buy them regularly."

Mrs. Z: "I don't own a dog but my Pal and will continue to do so because my cat Suzy loves it more than most cat foods."

The above quotations are all taken from entries in the first 'TV Tag' competition run by the Newmedia company. The competition, with a top prize of £15,000 cash and 2,000 others of £5, is open until November 1 to readers of the Yorkshire and TV area editions of last week's 'TV Times'.

An eight-page section in the new contains ads for six products—the three already referred to plus Danish bacon rolls, Lægelejens toothpaste and Revlon cosmetics. Competitors have to answer four questions about each product, of which three are opinion questions related to the ds. e.g. "Why do you think our Persil Automatic should be used in your automatic machine?"

The fourth question in each ad is a factual one about the advertising for the product. To win a prize, readers have to write a satisfactory reply to tie-breaker question. This also means in no more than 25 words how something they have learned about one of the products will help them in their weekly shopping in future.

As can be seen from the sample slips, not all competitors seem to understand the question perfectly, but all write about the advertised products with an enthusiasm worthy of professional writers.

The whole point of the competition is, indeed, to foster such enthusiasm. Unlike other promotional competitions linked directly to purchases of the products promoted, the 'TV Tag' media story, both in the U.S. and Britain, is that agencies have in the participating clients tended to fight shy.

The best mummy can buy.



THE GREAT sausage fight-back claw back the business they were increasingly losing to those of carcass meat. Currently, Meat and Livestock Commission's forecast is that beef and veal sales against the butchers' 362 million lb mark in the plan is for grocers to fully regain, their former 54 per cent which at today's values would push their to £135m—a lot of sausages.

Confident that the results will prove the theory, Paul Ashby and John Wardrop, who run Newmedia in Britain, are negotiating with clients for the next competition. That will be published in the 'TV Times' next May and will cover all TV areas. The fee will be £22,000.

Ashby hopes that the TV Tag section will be published three times a year in the 'TV Times'.

But he is talking of extending the technique to other media—possibly IPC women's magazines—and other countries. First on the list is Holland, where the medium used will not be a magazine but a giveaway booklet.

This will be based on Shopper's Voice, which Tom Hill, Newmedia's American boss, and a shareholder in the British operation, started mailing out some ten years ago. Hill only switched to magazine inserts when rising postage prices made mailers uneconomic.

Interestingly, Shopper's Voice was imitated in this country four or five years ago by the Marketforce company, which distributed a magazine called Shopper's Choice door-to-door in a test area. Research showed huge gains in awareness among recipients of the brands featured in the magazine even when they did not bother to enter the competition.

A notable aspect of the Newmedia story, both in the U.S. and Britain, is that agencies have in the participating clients tended to fight shy.

Can the Star shine?

EXPRESS NEWSPAPERS is taking a big financial risk with the Daily Star, to be launched next month, but knowing this, the Express management must be confident of success and the new daily cannot be underestimated, says Young and Rubicam in its latest media bulletin. It is expected to boost sales and Britain, is that agencies have in the participating clients tended to fight shy.

The Star will at first be published in Manchester, with an initial circulation target of 1.25m; thereafter it will aim for full national distribution by next January or February, says Y and R, with a minimum circulation of 2m—a figure which the agency thinks Express Newspapers will find "almost impossible" to meet in such a short space of time.

The Star will aim to gain readers at the expense both of the Sun and Mirror, but in addition will hope to expand the morning newspaper reading market among the C2D group, says Y and R, especially in the Midlands and North. "Express Newspapers claims that 10m adults do not read a national daily and that half of these live in the Midlands and North."

After totting up its own estimates of the circulations and readership of the four existing morning tabloids in the Star's chosen launch area, Y and R says: "Given an estimated circulation for the Sun/Mirror in the Midlands/North of 4.5m, the Star's target of 1.25m means it must secure 28 per cent of the Sun/Mirror circulation. If, realistically, we include the Express in the Star's principal competition, then it will need to secure 22 per cent of the combined circulation of the three papers."

The Star's 5p cover price is certainly competitive, says Y and R, but the chances of generating the extremely ambitious target circulation at a higher cover price would have been remote anyway in the face of the entrenched positions of the Sun and Mirror and the combined promotional muscle of both.

There are, however, two factors which may minimise this price advantage. First, the Mirror and Sun at 5p and 7p respectively have much more attractive trade margins, so the Star, particularly in relation to the Mirror, is not very attractive to retailers.

Second, there is evidence to show that habit and product preference are much more important than price alone.

The Mirror's circulation has been remarkably resilient to the 1p (and 2p) price advantage of the Sun. Nevertheless, the Mirror

Beverages: the demand curve that soured

BY HAROLD LIND

ANYONE WHO has been exposed to economic theory will remember the demand curve. It is that delightfully simple line on a monthly figures of demand for tea and coffee in 1978, again taken from the TCA panel.

We can even measure the slope of this line and talk learnedly about price elasticity of demand.

As would have been expected

for tea in the table tell us relatively little about the price elasticity of that product, but perhaps rather more about its relatively close substitutability for coffee.

This is only an interpretation of the figures, but it is borne out by evidence from other countries. The increase in coffee prices was a worldwide phenomenon and it is helpful to look at what happened elsewhere in Europe. Euromarket, a consortium of ten market research companies in Europe, has prepared a comparison of trends in the ground and instant coffee markets over the past few years. Looking at the instant coffee figures for Sweden, it appears

TEA AND COFFEE (1973-100)

	INSTANT COFFEE		TEA	
	Price	Volume	Price	Volume
1974	109	104	110	98
1975	122	109	123	94
1976	169	107	141	93
1977	322	83	269	88

Source: AGB-TCA

Nevertheless, the movements in the tea market during the 1977, at a time when prices rose by 87 per cent, volume bought first three or four months of the year hardly square with the rise by 143 per cent. We may have heard that the Swedes are a gloomy nation, though positive developments in massive price increases seems to carry too far. But looking at the figures for ground coffee at the figures for ground coffee clarifies the position. Prices in that market went up by 150 per cent, while volume fell by over 20 per cent. Instant coffee had a relatively small market in Sweden, and was always cheaper than ground coffee. Its price increase was large in absolute terms, but seen as a substitute for ground coffee it looked a tempting cheap alternative. The same thing on a somewhat lesser scale happened in France.

This article is not designed to treat the question of price elasticity and substitutability in the beverages market in any kind of depth. For instance, I have not covered the question of consumers postponing or advancing purchases because of expected future price changes. In fact the major reason why most statistical treatments of demand do not get very far. The purpose here is merely to show that even in the most clear-cut case of major price increases in a very fully documented market, severe problems of interpretation arise even for experts in the markets concerned.

One is merely left wondering by what divine guidance government bodies such as the Monopolies Commission or the Prices Commission can make such categorical pronouncements about the effect of competition and the justification for price rises in far more complicated and less well documented market situations than the recent one for beverages.

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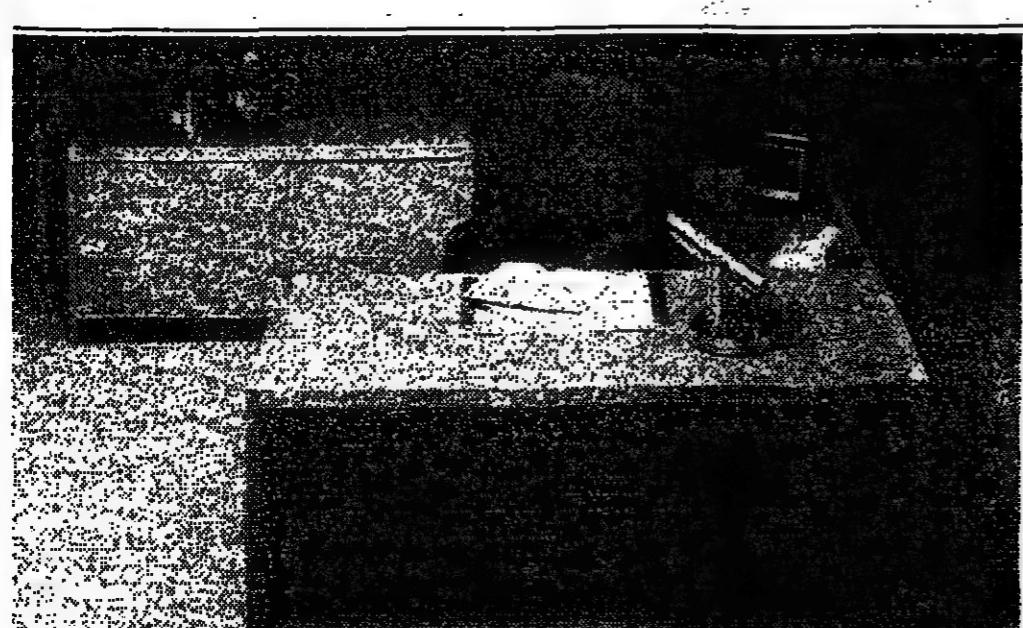
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ITT took 81 spots on Southern during their 1977 corporate campaign. The 60 second commercials were designed to show the company's wide range of activities. The message was one of quality, reliability and responsibility. The target audience was the entire public, whether as consumers, employees, shareholders or opinion formers. Results were dramatic and lasting. Awareness had increased from 55% in mid-1977 to 73% in mid-1978 and the overall opinion in favour of the company rose considerably.

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THE SUNDAY TIMES magazine

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July 1985

The Financial Times

Saturday night on Sunday morning

Video cassette recorders set you free from TV timetables. That's why video taping is fast becoming a billion dollar business in the United States.

Over here, the idea's still quite new. So many people don't realise that all video tape recorders are not created equal.

Sometimes, the taped picture quality leaves a lot to be desired. Or the tape runs out ten minutes before the end of the programme.

In fact, it takes a very special recording system to give perfect picture quality plus adequate recording time. The Matsushita group's VHS is such a system.

That's why VHS has been taken up by most of the big TV manufacturers in the United States and Europe.

Our record in TV is impressive. We brought out a set with a screen the size of a postage stamp in 1969. And the world's smallest colour portable in 1972. Our famous "Magic Line" tuning came

in 1952. Total worldwide production to date: over 50 million sets.

Technics, one of the most innovative hi-fi makers in the world, is a sister company. Their direct-drive quartz-locked turntables and tape decks are noted for superb sound and utter reliability.

Without all this experience in the TV and audio fields, VHS video tape recording would probably still be on the drawing board.

Instead, it's here on the market. The Panasonic NV-8600 is built to last. It has a die-cast chassis instead of a flimsy stamping. And the video cylinder motor is, of course, quartz-locked and direct-drive.

Naturally, the 8600 has a built-in digital auto-timer. You can preset it to automatically record a programme on one channel while you're watching another. Or even to record while you're not at home.

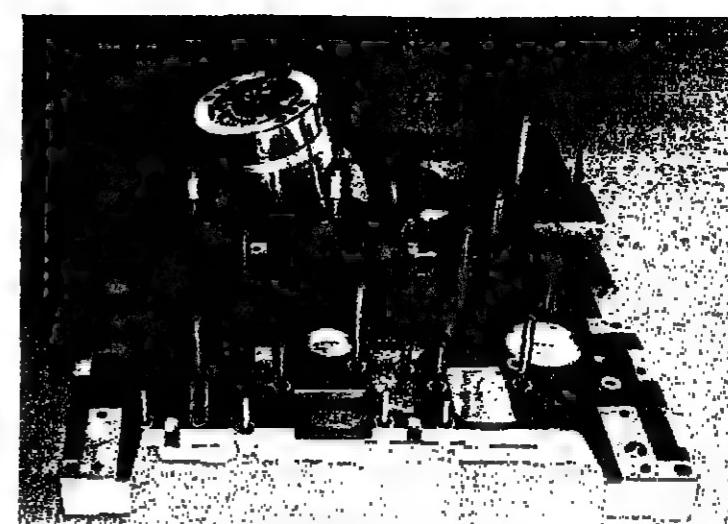
A whole film easily goes on one 3-hour VHS cassette. Including the last ten minutes when Dracula is tracked down to the lonely churchyard.

After a bit, you'll probably want to add the portable video camera. Then family events like Christmases and birthdays will become a treasured part of your growing video cassette library.

Panasonic is part of Japan's biggest consumer electronics group—Matsushita Electric.

We got where we are today by bringing people what they want. Like the freedom to spend Saturday night on the town and Sunday morning watching Match of the Day.

The NV-8600 can be used with any good colour set. But our new TC-2203 with "Magic Line" tuning forms the ideal combination. Prices, inclusive of VAT and correct at time of going to press; NV-8600, £750; TC-2203, £399.50.



The 8600's aluminium die-cast chassis and quartz-locked, direct-drive video cylinder motor.

National **Panasonic**

National, Panasonic and Technics are the brandnames of Matsushita Electric.



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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

• ENERGY Batteries of double power

RESEARCH WORK aimed at making a new type of electrode to improve the efficiency of batteries is in progress at Inco Europe's Research and Development Centre in Birmingham.

The International Power Sources Symposium, held this week in Brighton, UK, was told that electrodes made in accordance with this new method and called Controlled-Micro-Geometry (CMG) electrodes can provide a highly regular distribution of very small holes in a relatively thick plate of battery active material and conducting support.

This ensures that the current flowing through the battery electrolyte has easy access to every particle of active mass in the battery. In conventional batteries, whatever the electrochemical system, e.g., lead-acid, nickel-iron, nickel-cadmium, the internal structure of the electrode is not nearly so well controlled and so, in comparison, the active mass is not so efficiently charged or discharged.

At the same time, in CMG electrodes the weight of metal required to support the active mass, and conduct the current to or from it, is much reduced compared with conventional types. Furthermore, with CMG it is readily possible to vary the diameter, spacing and depth of the holes independently—something not possible with other types of construction. This permits the design of electrodes to be optimised for particular applications, e.g., capable of being charged and discharged at significantly higher rates than is the case with conventional electrodes.

CMG electrodes are made first by electrodeposition nickel to form a sheet less than 0.0002 in thick. This is perforated by electrochemical etching to create a regular pattern of closely spaced holes, each around 0.03 in diameter. The perforated sheet is coated on one or both sides with a relatively thick layer of active chemical in such a way as to leave the holes clear. The total coating thickness per foil may be up to about 0.005 in. A number of pieces of coated foil (up to 50 or more) are stacked with the holes in close register. The stack may be pressed to consolidate it, and it is then welded along one edge to provide an electrical connection between the nickel sheets and the terminals.

Thus, the concept being investigated is to produce a battery capable of storing up to twice as much electricity as a conventional battery of similar weight. Alternatively, of course, a CMG battery of half the weight of a 50461.

• SECURITY

Detects most forgeries

conventional one could store as much energy.

If weight is not the foremost consideration, the high-rate charge and discharge capabilities may be turned to good account in the construction of emergency, stand-by and aircraft starting batteries.

The CMG concept has been tested to date in the construction of electrodes of nickel, iron and of cadmium.

Manufacture of such CMG electrodes should lend itself to highly-automated methods of construction with consequent cost economies, but the manufacturing plant for this purpose has yet to be developed.

Much laboratory work remains to be done before the concept can be applied by battery manufacturers, the company points out.

But indications are that the concept offers battery manufacturers a prospect, in the longer term of producing substantially improved products for industrial and commercial battery users.

Applied to city transport units,

such batteries could provide a doubling in the operating radius

without any need to alter the vehicle or motor design.

Patent and know-how licences are available from Inco Europe, Thames House, Millbank, London SW1 4QF. 01-834 3888.

• SERVICES

Advising on technology

SERVICES offered by Cambridge Consultants' newly-established manufacturing technology group include the application of mechanisation and automation techniques, waste reduction programmes, value engineering and new product design using advanced materials and production processes.

Assignments currently in progress include implementing a microprocessor-controlled laser cutting system to automate electronic component production and thus increase output and reduce product costs; and designing a range of products for a newly-developed metal.

The group is also providing a technical assessment of the existing product range and manufacturing facilities of a company concerned about its current low profitability to aid future investment and corporate planning decisions.

Several projects have also been carried out under the Department of Industry's manufacturing advisory service. These include introducing mechanised saving on boiler production costs, investigating electron beam processes to reduce scrap rates, and optimising production and design procedures to enable a client to meet expanding demand for printed circuit boards.

Cambridge Consultants, Bar Hill, Cambridge CB3 8ZD. 0954 50461.

Attempts to forge a signature.

In an earlier version of the system, patented in 1975 by Dr Noel M. Herbst and Mr. John H. Morrissey, only accelerations of data were measured as the signature was being written. To improve the system's discrimination of true signatures from forgeries, Dr. Herbst — together with two other IBM scientists, Dr. Chao N. Liu and Mr. Nicos J. Anthony — added pressure-recording features. They also refined the decision procedure by which the computer evaluates the signature.

The decision procedure at the heart of the system took over four years of research effort. This algorithm compares two signature patterns, measuring the similarities in their fine detail, while ignoring the gross changes that often occur in

signatures — such as missing strokes and stylized variations.

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• ELECTRONICS

Simplifies counting

NEW FROM RCA Solid State, CD4010B is a circuit with a counter, decoder and display driven on a single chip. Designed for use in rate comparators, general counting where a display is required and up/down counting of random input pulses, the circuit has separate clock-up and clock-down lines that can each be clocked up independently of the state of the other.

The circuit also incorporates control logic and a Johnson counter, into which the signal is fed after preconditioning. The outputs of the Johnson counter (which includes anti-jump gating) are fed into a latch, and this data can be fed directly to a decoder or strobed to hold a particular count while the Johnson counter continues to be clocked. The decoder feeds a seven-segment bipolar output driver which can provide up to 25mA to drive light emitting diodes and other displays directly.

RCA Solid State, Sunbury-on-Thames, Middlesex, TW16 7EW Sunbury SS511.

Chips that sound off

LATEST semiconductor integrated circuits are devices that can be made, under microprocessor control, to emit sounds and noises for application in the entertainment, education, security and control fields.

The company's products include accelerometers, potentiometers, frequency synthesizers, spectrum analysers—basically used for electronic measuring, testing or sensing devices that are to be found on aircraft, trains and hydrofoils, in remote weather monitoring stations and

GEORGE WARD (he has nothing to do with Grunwick) is a 40-year-old American aeronautical engineer and head of the new management team of Systron Donner Corporation, whose English subsidiary is at St Mary's Road, Leamington Spa, Warwickshire, CV31 1QN (0926 35411).

The company's products

include accelerometers, potentiometers, frequency synthesizers, spectrum analysers—basically

used for electronic measuring, testing or sensing devices that

are to be found on aircraft, trains and hydrofoils, in remote

weather monitoring stations and

institutions where the electrolyte level cannot otherwise be

accurately gauged.

The equipment can be easily

cleaned round by a maintenance

engineer. It comprises a trigger-operated filler gun connected to a two-gallon plastic distilled water bottle. The electrolyte can

either be pressure-fed into the

cells or, by holding the container

above the level of the battery, it will flow by gravity.

The alarm buzzer is operated

by small mercury button cells

and is housed in the filler gun.

Pre-setting an adjustable collar

on the filling nozzle ensures that

the electrolyte completes a cir-

cuit between the probe terminals

and activates the level alarm.

Chloride Alcad, Union Street,

Redditch, Worcs. B98 7BW. Redditch 63351.

• MAINTENANCE

Topping-up simplified

ELECTRICAL MAINTENANCE engineers could use a new electrolyte level checking and topping-up system from Chloride Alcad of Redditch. Incorporating an automatic audible alarm system that buzzes when the desired electrolyte level has been reached, this system is particularly suitable for large battery installations or for use on individual cells where the electrolyte level cannot otherwise be accurately gauged.

The equipment can be easily cleaned round by a maintenance

engineer. It comprises a trigger-operated filler gun connected to a two-gallon plastic distilled

water bottle. The electrolyte can

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you'll find in the

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lochs and

mountains that

bring them our way.

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rapid rail freight movements, training services and commercial and industrial

support...that's what Tayside's

got going for it. Coming?

• ACCOUNTING

Data fed into two systems

INTERNATIONAL construction group French Kier Holdings is using a service provided by CMG Computer Management Group (Middlesex) to handle the administration of its pension scheme and payroll.

A special interface program

has been written to link the

CMG "Payfast" payroll package

with the "Compre" computerised pension system. This now automatically maintains a range of information common to both systems.

Information held on the computer file for the group includes personal records, records of family and dependents position in the company, remuneration and any "bought in" pension rights. Membership record cards

showing all personal information, life assurance benefit or entry to the pension scheme, the system provides the pension scheme administrators with the appropriate information—including that required under the new Social Security Pensions Act.

With this Act, which came into

force in April this year, the

volume of information which

must be maintained by company

pension schemes has been increased dramatically.

By adopting

the "Compre" system, French Kier has

been able to reduce the amount of manual intervention to a minimum.

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FINANCIAL TIMES SURVEY

Thursday September 28 1978

JULY 1978

Individual Pensions

Alongside group pensions, many companies are giving thought nowadays to supplementary schemes for senior executives. The self-employed have of course always to make their own provisions for retirement. For both these categories a wide choice of methods has been developed by the life companies.

How the benefits work out

By Eric Short

PENSIONS ARE in the news again, with pensioners marching to Trafalgar Square last Sunday to demand an immediate increase in their weekly old-age pension. No longer, it seems, are the OAPs content to accept their inadequate weekly payment without demur.

At the other end of the scale directors and top company executives are also active in seeking better pension arrangements and paying more attention to their pension provision, but their motivation is somewhat different from that of the senior citizens. With personal tax levels at a high, almost annual rate, much more attention having to be paid to fringe benefits in the overall remuneration package.

So far as contributions to the company fringe benefits, such as company cars and house loans, cost, the payments being fully tax-free under the Corporation Tax, the executive concerned can pay some of the cost him or more tax-efficient than most self, up to 15 per cent of annual other forms of fringe benefits earnings, getting full tax relief even more important, they on the outlay.

Thus the pension scheme plus a pension of £3,938 a year — plus a payment, free of CTT which more attention is being given to profits from the com-

given to pension schemes for pay to the executive in a tax-efficient manner. It is far better for the executive to accept deferred remuneration in operating an executive pension scheme, both for the individual and the company? In the first place, the pension ultimately payable is taxed as earned income. This in itself is a valuable concession compared with what happens if the executive endeavours himself to save towards his own pension. Yet the other concessions are much more valuable and in some life company literature, very little mention is made of the pension.

In particular, the facility to contribute part of the pension for a lump sum completely free of all taxes is possibly more important than the pension itself.

The amount of the lump sum depends on the years of service with the company and the limits, which are controlled by the Revenue, are set out in Table I. The maximum lump sum is one and a half the final annual salary, provided the executive has at least 20 years' service.

The scheme can pay a lump sum death-in-service benefit of up to four times the annual salary, irrespective of length of service. Because the payment of this sum is at the discretion of the trustees of the scheme, it is free of Capital Transfer Tax (CTT), subject to certain provisions. In addition a widow's pension and dependants' benefits can be paid.

But the use of the better schemes is concerned, the company can meet the whole of the company cars and house loans, cost, the payments being fully tax-free under the Corporation Tax, the executive concerned can pay some of the cost him or more tax-efficient than most self, up to 15 per cent of annual other forms of fringe benefits earnings, getting full tax relief even more important, they on the outlay.

Thus the pension scheme plus a pension of £3,938 a year — plus a payment, free of CTT which more attention is being given to profits from the com-

shown in Table 2. The retirement of executives is flexible and the company may wish to inflation-proof pensions fully after retirement, or at least revalue them more frequently than in the main company scheme. It would be too expensive for the main scheme to provide full two-thirds pensions after 10 years that are revalued regularly. Hence the provision of a separate scheme and the reason for the unions' complaint.

Some executives, especially in private family-controlled firms, either retire very late in life or do not retire at all. For many family businesses, the lump sum death benefit of CTT is more valuable than the pension. However, the Revenue imposes a general limit of age 75 beyond which lump sum death-in-service benefits cannot be paid on a discretionary basis for directors controlling 20 per cent of the equity. But there are exceptions.

The simple answer is that the main company pension scheme is far too rigid to accommodate the needs of executives. Often there is only one retirement date for the employee; his pension build-up does not allow for an acceleration of benefits for less than the maximum service. The revaluation of the value of the pension once it becomes payable is likely to be limited. The executives need is somewhat different.

The executive usually only serves a comparatively short period with the company. The which life company. The latest edition of Executive Pensions pension to be paid after only 10 years' service, with lower Fundex, lists over 70 plans and limits for shorter periods as describes them in detail. The

succeeding articles in this survey discuss the various types of scheme, including the most recent developments in self-administered plans.

TABLE 1 LUMP SUM COMMUTATION	
Years of service	(proportion of final salary for each year)
1-5	3/80ths
9	30/80ths
10	36/80ths
11	42/80ths
12	48/80ths
13	54/80ths
14	63/80ths
15	72/80ths
16	81/80ths
17	90/80ths
18	99/80ths
19	108/80ths
20 or more	120/80ths

TABLE 2 EXECUTIVES PENSION	
Years of service	(Maximum as proportion of final salary for each year)
1-5	1/60ths
6	8/60ths
7	16/60ths
8	24/60ths
9	32/60ths
10 or more	40/60ths

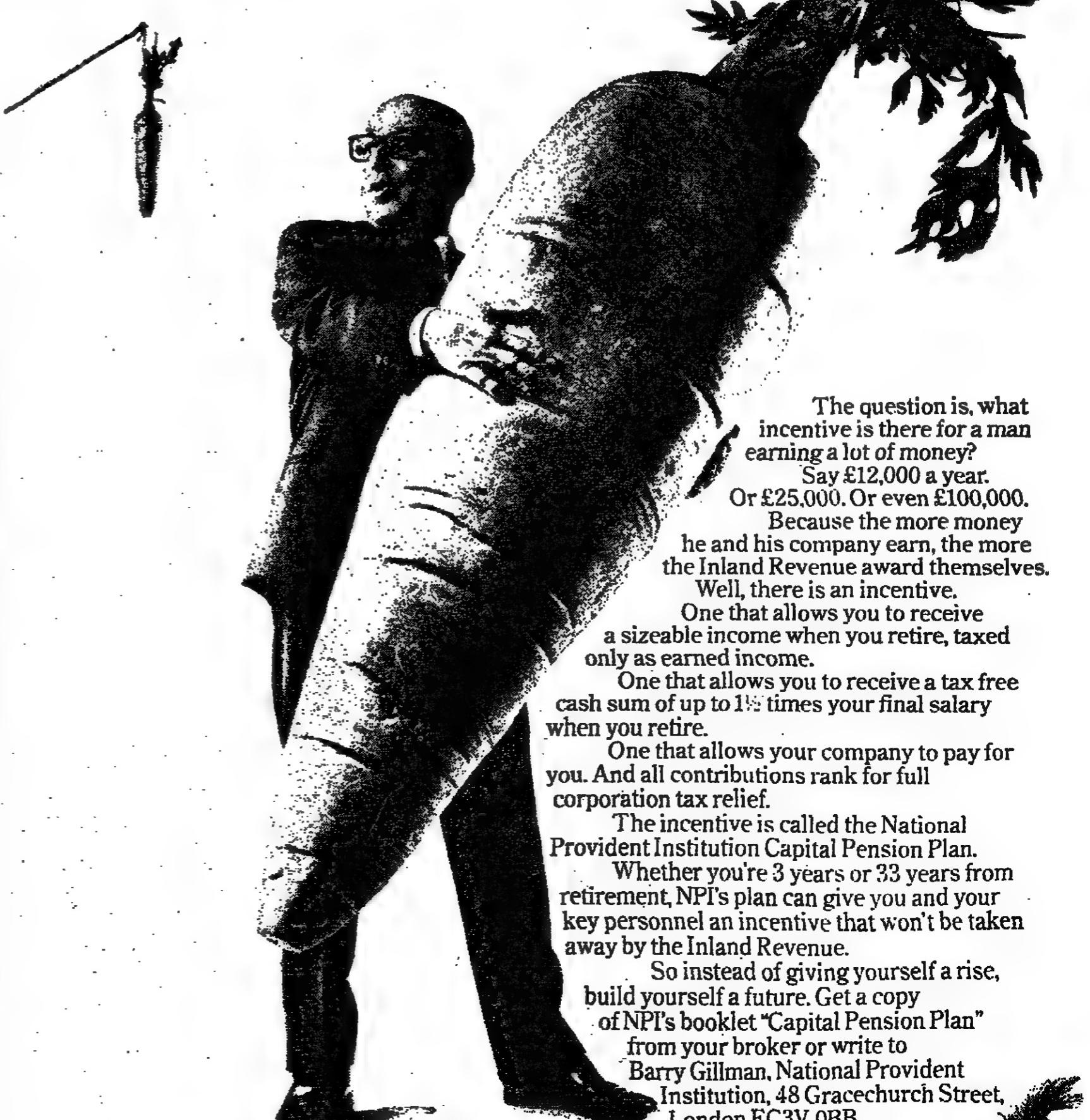
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Because the more money he and his company earn, the more the Inland Revenue award themselves.

Well, there is an incentive.

One that allows you to receive a sizeable income when you retire, taxed only as earned income.

One that allows you to receive a tax-free cash sum of up to 1½ times your final salary when you retire.

One that allows your company to pay for you. And all contributions rank for full corporation tax relief.

The incentive is called the National Provident Institution Capital Pension Plan.

Whether you're 3 years or 33 years from retirement, NPI's plan can give you and your key personnel an incentive that won't be taken away by the Inland Revenue.

So instead of giving yourself a rise, build yourself a future. Get a copy of NPI's booklet "Capital Pension Plan" from your broker or write to Barry Gillman, National Provident Institution, 48 Gracechurch Street, London EC3V 0BB.

Whichever way you do it, it's free.

NPI

Traditional Executive Schemes

Two basic forms

MORE AND more interest is now being shown in the field of executive pensions and the volume of business taken on by insurance companies over the past couple of years has risen considerably.

But the competition in the insurance world to secure a place of this fast growing cake is naturally very hot. Not only the types of contracts vary; there are a number of differences in future projections which can distort comparisons.

This in turn makes it more difficult for the company that is trying to calculate, to some degree of accuracy, its long-term pension liabilities. Naturally each company's needs differ somewhat, for example, desire for flexibility so that any sudden changes in either salary or profitability could quickly result in a similar adjustments to the pension provision.

The traditional life companies are basically marketing two forms of executive pension schemes. First there is the conventional with-profits scheme and secondly the deposit administration policy—but in both cases there are some variations in the actual products marketed.

It is easy to see why these executive pension schemes have gained in popularity. Following a lengthy period of wage restraint, companies have been forced to seek other forms of wage benefits to reward key personnel. While there are a number of ways of achieving this aim, the executive pension seems to be one of the more active.

Another factor behind the growth has been the advent of the State pension scheme. Many smaller companies have had the terms of contracting a onerous and have instead fallen back on individual pension schemes to top up the state scheme.

Because of the variations in forms of contracts available, it is worth taking a look at a few examples of both types of schemes to show what they are doing and how they differ and just what guarantee, if any, given.

The deposit administration to be earned on the deposit policy is basically a deposit account is guaranteed at 6 per cent for the first five years of the plan. But currently the NPI assumes a rate of interest at 8 per cent on all its quotations. But even this figure is below the actual rate of interest achieved of late. The figure was 10½ per cent at the end of last year and 11 per cent for the previous three years. While the portfolio is invested in a comprehensive spread of investments, such as equities, gilts and property, there must be a strong element of high yielding securities to give this sort of return.

Phoenix Assurance through its plan for the self-employed (including the executives) offers a rate of interest guarantees to be at least equivalent to the Building Societies Association's recommended mortgage rates. Both these levels of guarantees are clearly very conservative and should be comfortably obtained. This must instill some degree of confidence although it is noticeable that not all the life companies offer interest guarantees.

The with-profits schemes provide for a guaranteed sum assured which together with the accrued reversionary bonuses gives a lump sum which in the case of the cash funds can be used to obtain the best annuity rates available much the same as with the deposit accounts.

The level of premiums fluctuate from one life company to another depending on the projected level of bonuses and the annuity rates obtainable on maturity.

On a comparable basis the lowest pension premiums quoted for the with-profits schemes are way below those offered through the deposit administration policies.

This suggests that the life companies offering with-profit policies are taking a more optimistic view of future rates.

Tables recently compiled by Money Management show that yearly premiums to give a man aged 44, earning £13,500

CONTINUED ON NEXT PAGE

INDIVIDUAL PENSIONS III

Self-employed Plans

Tax-efficient ways

THE NEW State pension scheme, which provides earnings-related pensions for all self-employed persons, came into operation this April with a flourish of trumpets. It represented an important milestone in the history of social security in the UK. But as far as the self-employed were concerned, the new scheme did precisely nothing for them in providing higher pensions.

Under this new scheme the self-employed still only receive a flat-rate pension amounting at present to £17.50 per week for a single person and £28 per week for a married couple. These amounts are being increased to £19.50 and £31.20 respectively in the next annual uprating in November.

The late Brian O'Malley, who as Minister of State for Social Security was mainly responsible for this new scheme, asked the Department of Health and Social Security to investigate the feasibility of providing earnings-related pensions for the self-employed. But nothing ever emerged and it would appear that no attempt is going to be made to bring the self-employed into an earnings-related scheme.

However, the Class 2 and Class 4 contributions rates paid by the self-employed were reduced from April, in line with the contribution reduction for Class 1 in respect of employed persons contracted-out of the new State scheme.

Thus the self-employed, if they want to retire on a decent pension, have to do what they have always done—save up for it. But if they try to build up their own portfolio, they will find the Inland Revenue very much against them.

To start with, the money 'put aside for investment' has to come out of taxed income. Then the investment income is taxed as unearned income with investment surcharge on top. Finally, when the assets are realised, there is much more emphasis placed on the pension, with capital gains tax will apply.

But all is not lost. The self-employed can provide their own death-in-service lump sum pension in a tax-efficient manner, with the approval of the Revenue, through a personal pension plan issued by a life company. In fact one does not necessarily have to be self-employed to participate in such a scheme. It is available to anyone who is not in a pensionable employment—i.e., anyone who is not a member of a company pension scheme.

If an eligible investor takes out such a policy, then the contributions attract tax relief at the top rate applicable to that individual. Thus if the top rate of tax being paid is 50 per cent, each £100 of contribution effectively costs £50. The higher the tax rate, the lower the net cost. The limits imposed on contributions for this relief are 15 per cent of annual earnings up to a maximum of £3,000. There are higher limits for persons born in 1918 or earlier. But any short fall in one year can be carried forward.

Next, the life company invests these contributions in funds that are tax-exempt, thus ensuring a gross roll-up of investment income.

Finally, the benefits paid are treated generously as regards tax. Pensions are taxed as earned income and there is complete flexibility as to the time the pension becomes payable. The investor can start drawing the pension at any time between age 60 and 75, both inclusive, and he does not have to stop work in order to be able to receive the pension payments.

A very attractive benefit is the lump sum that can be taken at the time the pension starts. The investor can commute up to approximately one-quarter of his pension for a completely tax-free lump sum.

Under personal pension plans, there is much more emphasis placed on the pension, with capital gains tax will apply.

little attention being paid to the pension. But many self-employed are in occupations where earnings fluctuate considerably from year to year. Single premium contracts would be more suitable in such cases, although the form of annual premium contracts allows for variation in payments. But with an annual premium plan the investor is tied to one life company. With single premium plans he can get more flexibility in the choice of life companies, type of contract and the timing of taking the pension. He can have several contracts and start drawing the pension bit by bit.

There are a variety of traditional schemes available—one where the pension is completely guaranteed, one where the build-up of the fund is at a rate of interest linked to building society mortgage rates, and a with-profits scheme where there is a minimum rate of interest accredited, plus a further bonus dependent on the investment performance of the underlying fund. Under all these contracts, however, the value of the accumulated fund increases steadily.

Alternatively, the contract can be linked to a fund on the unitised principle. The contributions are used to buy units in the fund and the units are valued according to the value of the underlying assets. Thus although the general movement of the accumulated fund is upwards, there will be fluctuation in value according to market movements. There are a variety of different funds from which to choose—equity both UK and overseas, property, fixed-interest, cash or a managed fund which is a mix of all these elements.

The traditional contracts are thus safe steady investment vehicles, while the unit-linked plans are more high risk, high reward contracts. Which to choose depends very much on the temperament of the investor. Eric Short

JULY 1978

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One day
One day
One day"**

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EXECUTIVES/DIRECTORS**Here's how to add £ thousands—
tax-free—to your retirement**

EVEN if you do have a company pension, it's almost certain that it doesn't take full advantage of what you're entitled to.

Yet these entitlements come with so many tax advantages, it's well worth looking at the benefits of "topping up" your pension plan. Here are the details.

Your entitlements. These subject to sufficient years service with the employer include: A pension of 2/3 of final salary (the pension can include annual increases). Part of this pension may be commuted to a cash sum of up to 1/2 times final salary. A widow's pension of 2/3 of the personal pension. A large cash sum plus widow's pension, if death occurs in service.

What is an individual pension plan? It is a plan arranged by an employer for one particular employee to take advantage of these entitlements. The plan is often known as a top hat scheme.

Who is eligible? Any employee of whatever status is likely to be eligible. He may be a director, a senior executive, or any other member of staff.

If an employee has two or more employers, he is eligible for an individual pension plan from each employer. That might apply, for instance, to an individual who is a director of several companies.

It does not matter whether the individual is a member of a group pension scheme being operated by a different employer. Nor is it relevant if he is also self-employed and making pension provision for himself in that capacity.

Moreover, if the employee is a member of a group pension scheme being run by the one employer for whom he works, it is often possible to set up an individual pension plan. That is because the group scheme may not be designed to provide (for that individual) the maximum benefits that would be approachable by the Inland Revenue.

We should also make it clear that it does not matter in the slightest whether the employer is an individual on his own, several individuals in partnership, or a company.

Who funds the premium?

The employer must contribute, and normally pays all or most of the premium. Sometimes, the employer may pay a higher premium than he would otherwise be prepared to, because the employee makes a salary sacrifice—that is explained in more detail later.

Sometimes the employee makes a contribution out of his salary.

The tax advantages. Of course, an employer may make pension provision for an employee in any way that he chooses. But this text only concerns individual pension plans which are capable of approval under the Finance Act 1970.

What is so special about having a pension arrangement approved? The answer to that really lies in the tax position.

or possibly he may just arrange individual pension plans for the key executives.

Capital transfer tax situations. Curious though it might seem at first sight, the essential prerequisite of effective capital transfer tax planning is almost always pension planning. It arises because without effective pension planning, an individual may well depend for income in later years on capital assets in one form or another—for instance the retention of full control of the private company which is the family business or to cite another case, the need to retain a complete portfolio of equities, gilts etc.

Anyone in that position is obviously severely restricted in the use that can be made of the exemptions from capital transfer tax in order to pass on assets to the next generation free of tax.

The close company situation.

The vast majority of the 650,000 or so companies in the United Kingdom are close companies within the definition of section 282 of the Income and Corporation Taxes Act 1970. A close company faces particular difficulties in respect of its profits. It is not simply a question of having to pay corporation tax on them. If a close trading company does not distribute half of its profits (after giving development requirements)—which distribution may well result in the recipients having to pay income tax at up to 98%—the participants in the company are taxed at those rates as though a distribution had been made even if in fact it has not; that is the apportionment under Schedule 16 to the Finance Act 1972.

So if a close company's profits of £100 may in fact only be worth under £2 in the hands of a participant what can it do instead? Well, it can certainly pay an employee the extra £100 and avoid a profit, but if the employee is taxed at 83% that extra £100 may only be worth £17. A further alternative, and often the most attractive one, is to put the £100 into a pension arrangement, and there the whole £100 may be effectively invested.

Salary sacrifice.

An employee may feel that his top rate of income tax is so high that he could forego some salary and hardly notice. He would ask the employer to apply the amount to pension provision. For instance, if the employee is paying tax at 70%, excluding any investment income surcharge, £100 of premium could be applied for a reduction in the employee's net income of £20 only.

There may be circumstances in which a salary sacrifice should not be undertaken, so expert advice is required.

Self-administered

CONTINUED FROM PREVIOUS PAGE

The pensioner trustee has to give an undertaking that he will insure from outset that he will not consent to any termination of the scheme of which he is a trustee other than in accordance with the approved terms of the benefits. The SFO also advises that when the pension becomes payable, it should be secured by purchasing an annuity from a life company.

For a large quoted public company, these advantages are marginal. But for the smaller, family-controlled private company they are literally invaluable.

Practical problems concerning "in-house" pension schemes. The risk of an early death of one of the executives and of paying the lump sum death-in-service to all kinds of possibilities that the money is locked away in the fund's asset back in the company, which opens the way to reconciling himself to the fact that the control of the company passes from the family. The control of the company passes to the trustees, but these will, effectively, be the same people.

All this is with the approval of the revenue.

Well, not quite. To prevent a complete tax avoidance bonanza, the SFO in its practice notes, states that it will look adversely at any scheme where the whole or greater part of the company's contributions are lent back to the company.

It warns that the pension scheme accounts will be examined periodically and the question of approval reconsidered if such a situation is discovered to have developed.

A limit of 45 per cent of the fund is the unofficial guideline for self-investment.

Then there are the checks put on by the pensioner trustee himself and the actuary to the fund.

Since it is a self-administered fund, then it needs an actuary's report to establish the funding rate and the SFO insist that the fund has an actuarial valuation made at least once every three years.

The actuary is governed by the pensioner trustee himself and the actuary to the fund.

For instance, recently a farmer operating such a scheme was able to outbid the institutions for agricultural land using his pension scheme.

But the SFO is likely to take drastic action against anyone overstepping the marks it has indicated.

Properly used, the self-administered executive pension scheme can be of vital use to the executives and to the company.

For instance, recently a farmer operating such a scheme was able to outbid the institutions for agricultural land using his pension scheme.

But the SFO is likely to take drastic action against anyone overstepping the marks it has indicated.

E.S.

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Five years later all units now cashed and set for a luxury cruise to whole time retirement.

INDIVIDUAL PENSIONS

IV

Problems of Planning

Element of market risk

If you work for yourself, but inevitably give way to this sions. If, on the other hand, a unit-linked policy you do not have a fair pension to support your income fluctuates, you had year's leaking roof or crimped car. But if you happen to be a poor soul or affluent pop singer, with an income which veers between the sublime and the ridiculous, do not despair; it is quite possible to make your arrangements ready-year.

The point to be borne in mind is simply that your contributions in any one tax year must not exceed £3,000, or 15 per cent of your "net relevant income," which ever is the smaller, because you will not be able to claim tax relief on the extra payments. "Net relevant income" is Inland Revenue jargon for income less certain deductions like expenses and trading losses. The limits are higher if you are getting on a bit already, £3,800 if you were born in 1914 or 1915, rising by stages to £6,000 if you were born in 1907 or earlier. The limits are lower if you are only partially self-employed.

It is a good idea to have some form of regular commitment, however, otherwise the requirements of future years will all

between traditional and unit-linked policies, and top up our capital sum accumulated at the moment you decide to anything, in that retirement, and therefore case spend your allocation on annuity to which you are entitled, will depend entirely on the state of the market in which your units are invested at the time. And if the market happens to be flat on its back, you are going to suffer.

Most people find themselves somewhere between these two extremes. They can commit themselves to a certain level of contributions, and may or may not be able to top them up as the fortunes of the year dictate. In that case the business should be split. What you know you will be able to go on saving can be put into annual premium policies, and you can top up out of the top level of your income by buying single premium policies.

Emotions

Having got so far you are approaching the stage at which you can go and find yourself a good specialist life assurance broker who will be able to direct you to the policies to choose. But before you do that there is one more matter to be cleared up: that is the question of whether you are going to go for traditional or unit-linked policies. It is a matter which evokes strong emotions in the normally sedate world of insurance brokers, so it is as well to sort out your own ideas on the subject before you go then you might choose to spend and talk to anyone.

The essential difference between the two is this. With thereby committing yourself to the traditional policy—with or without profit—you know what most of his family commitments and relieving yourself of the minimum, at any rate. With his annual premium business

regrettable, because the tax advantages attached to them are so great as to make them almost irrespective of the fund managers' performance—one of the best investments there is. However, it is the fund managers' performance that the broker ought to be able to advise you on, that and terms and rates.

Almost everyone, including the linked offices themselves, agrees that anyone within a decade of retirement should consider switching from the high-risk, high-reward policies—equity-linked policies in particular—to something a little more certain and sedate—a fixed interest-linked policy, for example. You may miss the best of the boom that way, but at least you will not be prevented from retiring by the worst of the bust. So it's absolutely vital, if you choose to put an element of your contributions into unit-linked policies, to ensure that they are switching facilities available.

Do not put the decision off in the belief that you will be able to live off the proceeds of the business when you retire. It never works like that. And, however convinced you are that you will be happy to carry on until you drop, remember that it will not do you any harm to have some money set aside. You don't, after all, have to take your pension under a self-employed scheme until you are 75—and by then it is at least possible that you will have changed your mind.

Adrienne Gleeson

Approach

Once you have decided, however roughly, on what proportion of your income you can afford to devote to annual premium policies, and whether or not you are interested in the unit-linked alternative, you should approach a broker for advice on the best policies available. Quite probably, in fact, he will have approached you. Like life assurance policies, self-employed pension business is sold not bought. This is

Traditional for Self-employed

Advantages not always that readily recognised

TAX CONCESSIONS being what they are, it is surprising that so many of the country's 2m self-employed do not seem to be clued up about pensions.

Meanwhile, only 11 per cent of the sample felt pensions are the most secure form of saving—a response which does not seem to discount the significant guarantees provided by most traditional policies.

Security is in fact one of the hallmarks of a traditional with-profits policy. The potential benefits of a unit-linked scheme may well be greater, but if the market goes through the floor the individual alone will largely be left to pick up the pieces.

A recent survey by the old Slater Walker Insurance company, Providence Capitol Life, further demonstrated the degree of misunderstanding among small company directors and the successful self-employed.

Only 24 per cent of those interviewed considered pensions the most tax-effective form of investment—life assurance led the way here—although life assurance premiums only

qualify for tax relief of 50 per cent of the basic rate while pension contributions qualify for relief in full.

On top of this, policyholders qualify for two increments—the reversionary and the vesting bonus. A reversionary bonus is declared on a regular basis, every one, two or three years, for example—and reflects the company's past investment success.

The bonuses accumulate throughout the term of the pension and are added to the basic annuity. Finally a vesting bonus (a lump sum payable when the pension starts makes up the difference between current annuity rates and those prevailing at the time the policy was taken out).

Flexibility

The second concept is the cash accumulation pension. This is gradually becoming more popular with insurance companies because of its greater flexibility.

The basic annuity is sometimes guaranteed, but interest on the premiums is rolled up and at retirement the policyholder receives a lump sum, part of which can be taken tax-free in cash while the rest is applied to buy an annuity at the

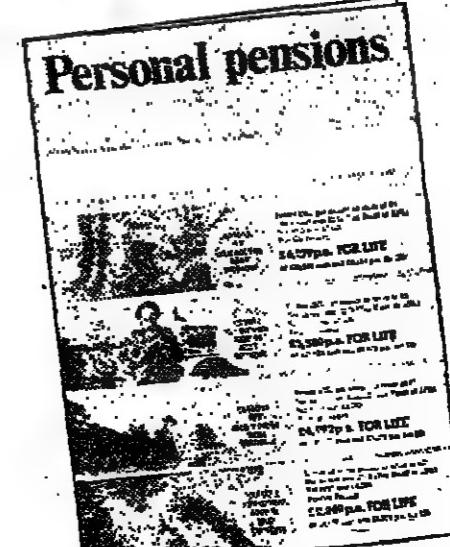
working out new quotations based on cash accumulation which will be available shortly.

One of the simplest, though surprisingly most recently developed cash accumulation schemes, is linked to the building society borrowing rate, currently 10 per cent.

Phoenix Assurance is one of the leaders in this field. Although there is no guarantee £4,570 vesting bonus making a total pension of £17,627. The credited to a policyholder's account and rolled over each month at least in line with the current building society mortgage rate. In a period of high interest rates this can be extremely attractive.

CONTINUED ON NEXT PAGE

Pension problem?



This leaflet is worth reading.

If you are self-employed, a controlling director, or an employee with no pension rights, it could give you the answer on how to provide a substantial retirement income with a degree of flexibility geared to your precise requirements.

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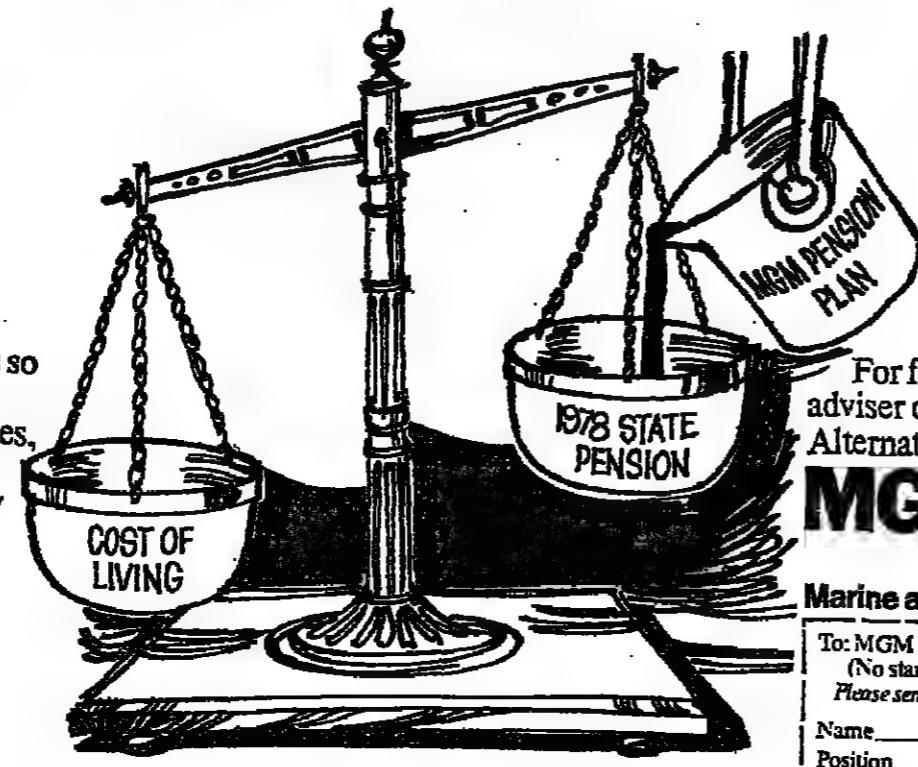
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FT 11

INDIVIDUAL PENSIONS V

Unit-linked for the Self-employed

Conflicting views among brokers

If YOU are engaged in running a successful business of your own, the chances are that you are having so much fun that the thought of retirement has never even occurred to you. But will—sooner or later. Should occur sooner rather than later, you might get some fun it of making provision for it. The provision that you make through contributions to self-employed pension scheme going to grow pretty rapidly, thanks to the tax advantages such schemes enjoy; if you choose a unit-linked scheme and run it well, then our money will increase more rapidly still.

Of course there is a catch. The operative words are "run well" and there are plenty brokers around who will year that those who put their money into unit-linked pension schemes never bother to run them at all. A unit-linked scheme ill-run—or not run at all—can be a disastrously bad investment. So maybe we ought to turn to one or two of their

Vigour

His attitude is really quite moderate in comparison with the vigour with which Simon Batt of Willis Fisher opposes the whole idea. "There's too much wishful thinking over unit-linked business," he says. "You

should never put your money into unit-linked pensions if the policy; and there is not (as for one thing, undoubtedly vary date at which you plan to retire) there is with both with—and on average that policy ought is important—and most of our without-profit endowment policies leave them slightly better off clients have a very clear idea (or ideas) any form of underlying guarantee. On the other hand, of when they plan to give up the business. What would you do if you were in a linked scheme and the date of your retirement coincided with a period like 1974?

"It's all very well saying that you could put the date back; but supposing you couldn't? You might be ill; anything might happen. And it's all very well to say that you can switch from one fund to another—from equity to fixed interest or cash. But who's going to tell the client what switches to make? It's no part of our responsibility to advise on his investments."

So say the opponents of unit-linked retirement schemes. And indeed there is a certain amount of sense in their approach. The value of any unit-linked investment is inevitably going to fluctuate much more sharply

than that of the conventional fund management will. Into unit-linked pensions if the policy; and there is not (as for one thing, undoubtedly vary date at which you plan to retire) there is with both with—and on average that policy ought is important—and most of our without-profit endowment policies leave them slightly better off clients have a very clear idea (or ideas) any form of underlying guarantee. On the other hand, of when they plan to give up the business. What would you do if you were in a linked scheme and the date of your retirement coincided with a period like 1974?

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Essentially you are likely to be offered up to five funds from which to choose—equity (wholly invested in shares); fixed interest (wholly invested in fixed interest securities); property; managed (some combination of the three preceding); and cash (this is the safest variety of fund, and is really designed for those final few months when you really do not want to put any of your gains at risk). As a general rule equities and property will provide the better hedge against inflation over the longer term, which is what ought to be worrying you if you are planning to continue your contributions over two or three decades. However, the tax structure of self-employed pension funds is such that a fixed interest fund—particularly if interest rates are relatively high at the start of the period—could turn out to be a better bet.

The nearer you come to the date of your retirement, the more important it becomes. The linked-life offices themselves accept that this is a reasonable approach, which is why we have people like Paul Woolhouse at Lloyd's Life saying that anyone within a decade of the date at which he anticipates retiring should consider switching out of the more volatile funds, at a favourable opportunity, and putting the money into a fund like fixed interest or cash, where the risks are rather lower.

Should you then happen to be within a decade of retirement and in process of waking up to the unpalatable fact that you have not done anything about it, do not rush to put your permitted contributions into an equity or property-linked fund in the belief that with a little luck it will enable you to make up for the years of neglect. Like putting a bet on the horses when you desperately need a win, it will all but certainly turn out to be a loser.

Companies are generally reluctant to reveal their investment spread, hiding behind the shield of a large fund which combines both their pensions and life assurance business.

A high proportion of assets, however, is generally in gilts to match the company's guaranteed commitments. For example, NPI's £342m fund (pensions and life assurance) is 48 per cent in gilts and fixed interest; 12 per cent in property and 30 per cent in equities.

The equities and property content of a fund is clearly of great importance to a prospective policyholder. For instance, a high guaranteed annuity means (because this has to be matched by fixed interest investments) there is not always scope for a company to earn healthy bonuses.

Life company funds are getting bigger and bigger. There is surely a case for having on the pensions side (it is after all treated differently for tax) and giving a more detailed breakdown of the smaller portfolio.

At present, Phoenix allows its customers 95 per cent of the best annual rates among 20 of its top rivals. Most companies are waiting for a Revenue ruling but many have publicly stated their intention to provide option facilities.

The shopping option is currently permitted for company pension schemes where trustees ensure that the accumulated cash is used to buy an annuity. The possibility of individuals running away with large tax-free lump sums is thought to be one of the Revenue's main worries.

Another problem is how traditional deferred schemes which assume an in-house annuity will fit into the picture.

Another development which self-employed may wish to consider is the gradual retirement plan. In this field Scottish Amicable's Flexipension has been one of the most successful.

Each £50 of premium effectively buys separate policies, which all

then mature on different dates. This is particularly suitable for anyone whose earnings will decrease relatively slowly rather than suddenly come to a halt.

At the end of the day it is a company's investment performance which dictates the size of a policyholder's pension. The basic guarantee is certainly a source of comfort, but it is usually well below the total annual ultimately paid out.

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At the end of the day it is a company's investment performance which dictates the size of a policyholder's pension. The basic guarantee is certainly a source of comfort, but it is usually well below the total annual ultimately paid out.

Companies are generally reluctant to reveal their investment spread, hiding behind the shield of a large fund which combines both their pensions and life assurance business.

A high proportion of assets, however, is generally in gilts to match the company's guaranteed commitments. For example, NPI's £342m fund (pensions and life assurance) is 48 per cent in gilts and fixed interest; 12 per cent in property and 30 per cent in equities.

The equities and property content of a fund is clearly of great importance to a prospective policyholder. For instance,

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At present, Phoenix allows its customers 95 per cent of the best annual rates among 20 of its top rivals. Most companies are waiting for a Revenue ruling but many have publicly stated their intention to provide option facilities.

The shopping option is currently permitted for company pension schemes where trustees ensure that the accumulated cash is used to buy an annuity. The possibility of individuals running away with large tax-free lump sums is thought to be one of the Revenue's main worries.

Another problem is how traditional deferred schemes which assume an in-house annuity will fit into the picture.

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The dangers of convergence

Y ANTHONY HARRIS

DARLINGS, do look at the *U* there were no movements of private capital in the world; there would be no great problem if the lady passengers on the Titanic; but one cannot so easily imagine her saying it a second time if she had survived to make another crossing. Our Finance Ministers, on the other hand, seem to have shorter memories; else they are still unaware that it was they collectively five years ago. Not an oil tanker, but an iceberg, in convoy.

Celebration

In other words, the simple-minded celebration of what is called "convergence" reported from the IMF meeting in Washington is more than a little disturbing. It suggests that the IMF is collectively returning to its old mental habits—the habit of thinking that the balance of payments problem is the central one it has to wrestle with. The truth is the exact opposite: the IMF was set up by its founders to prevent surpluses and deficits from being a problem, because its founders were wise enough to know that these imbalances are not a problem but a solution. The problem that is avoided is the very one whose return the assembled Ministers are now celebrating. Cyclical convergence is the problem, and if the cycles that converge are strong enough it can be very near fatal.

The argument is so simple that it should hardly need stating, which is perhaps why it has been forgotten. Imagine an economy which, through overenthusiastic management or a simple excess of animal spirits, ends in a boom in which demand rises faster than supply can respond. It is after all a pretty frequent occurrence, even in this sluggish country. If it is a closed economy, the result will simply be inflationary; but if goods are available from overseas, and import finance is also available, then demand can be satisfied until its growth is checked quite naturally by overextended credit.

Finally, a country in recession, if it is a closed economy, will spiral down, falling a long way before success is achieved. If another country offers a booming market, however, goods will simply be diverted from the home to the export market until confidence and demand revive. The ability to finance those swings is a major stabilising force in the world; that is why the IMF was established to finance them.

Of course, this system is much easier to set out in theory than to run in practice, like every other system of economic management. The difficulty is to distinguish between cyclical swings in the balance of payments which ought to be financed for the general good, and what the Articles call "fundamental disequilibrium."

Oil prices

Unfortunately there was one twist in the plot which may have misled the Finance Ministers. OPEC decided to take advantage of a worldwide boom to raise oil prices—first in small steps and then, after they had got away with an embargo, in a very large one. Some observers concluded that OPEC caused all the trouble—even, perhaps, the vast rise in mineral and food prices. The fact is, of course, that we would have suffered inflation and slump if OPEC had never been organised. The story would not have been quite so dramatic, but our world would have been more obvious.

As it is, the Ministers are talking as if they had learned nothing. Fortunately, they are not only wrong in their reasoning, but wrong about the facts: the world's economies are not converging, but simply passing in opposite directions. It is a bit frustrating, though, to think that our salvation lies only in the fact that ministers don't know what is going on. Someone might tell them.

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IN A FRANTIC effort to adapt rules evolved on the village green to the needs of society—where not only production and consumption but also leisure, education, the Health Service and the attainment (by means of tranquillisers) of happiness are industrialised—legislatures and courts are churning out a flood of statutes and decisions. Moreover, the simultaneous progress of the internationalisation of business makes it necessary to know today's rules of more countries than one's own. The only defence against this consequence of the industrialisation and internationalisation of our lives seems to be to industrialise and internationalise the provision of legal information. If a weaker currency will accuse it of economic imperialism. If a weaker currency country claims that its deficit is a public service needed to finance trade, others will accuse it of financing imperialism with borrowed funds. The whole question, in short, gets more than a little fraught.

If you take further account of the fact that only countries which are short of reserves ever need to go to the IMF for help, you can see why the practice of the 1960s and 1970s became more and more unlike the benevolent theory. In the end the IMF had, as far as forgotten its basic principles that its annual reports spoke of the "problem of economic divergence," surely because by this time it tended to worry about any deficit anywhere from any cause.

For a decade or so, then, the official of the IMF jumped hard on any weak economy which had the impudence to get into an upward spiral of step. By the early 1970s they had managed to provoke the very kind of crisis which their policies were meant to prevent: a fully coordinated worldwide boom.

The world, at Dr Fritz Machin's pointed out, is a closed economy, and the result was predictable: a worldwide demand inflation, followed by a worldwide slump.

RACING
BY DOMINIC WIGAN

Three Diadem Stakes over six furlongs. Last time out Michael Stoute's vastly improved three-year-old made backs of his opponents in the normally competitive Burmarr-Castrol Ayr Caledonia Stakes.

Scintillate, one of the best juveniles in training by Sparkler out of Set Free—already responsible for Juliette, Marry and Juju Mariner, has shown promise on both her appearances. She could well hurry Scintillate, from whom she receives eight pounds, without perhaps being quite good enough to end his winning sequence.

In the other two-year-old race on the Jackpot-supported card, the Clarence House Stakes, I

shall be disappointed if the winner is not either Vaigly Great's

successor or the son of

the same sire.

She probably put up her best performance when finishing less than two lengths behind Welsh

3.9, Germany for 6.7, France for 32.6 and Italy for 52.5 per cent. Genies could say that the greater the respect for law, the less you want to know about it to do with any feelings of guilt—but it may be only that the practice of law in England is still considered more an art than a skill based on the knowledge of hard facts. And there is a special reason for the popularity of the Italian system which will be revealed later.

A number of legal information retrieval systems operate in Europe as public, private or mixed ventures but one should not jump to the conclusion that computers have already taken over in the field of legal documentation. Electronic systems are still only an aid to conventional legal research and one can expect that, because of human initiative in the role of legal practice, machines will never be able to do the job alone. However, a turning point seems to have been reached. It is now widely accepted that completeness of information about a particular legal issue can hardly be aspired to without an automated retrieval system. This saves purchasing and mailing costs and helps avoid cluttering desks and filing systems with unwanted bulky publications.

Most systems are serviced by

specialists—lawyers, legal

for 3.8 per cent. Belgium for

operation store only bibliographical data or abstracts of documents, but the trend seems to be towards the storing of complete documents. This is most understandable for two reasons. First, the users of the retrieval systems are usually in a hurry and their purpose is not merely to learn what it can do. As many references from the retrieval engines are bound to be

another important reason why this system is used directly

in combination with another retrieval system for parliamentary documentation. The French system CEDILIS serves many public

administration and is operated free of charge while the system JURIS of the German Federal Ministry of Justice also serves

clients (which pay £500 annually

for subscription) and private

subscribers who have to pay £1,000.

In addition, there are two French systems serving lawyers in private practice or employed by companies. The Lyon-based

GRIDON system specialises in

information handled by

notaries public (who act as

solicitors and commissioners for

oaths specialising in conveyancing and probate matters).

The other, JURIS-DATA, operated

by a Paris publisher with a legal

information service, is designed

for legal advisers of all types.

The Italian ITALIQUE, a joint venture of the Italian Supreme Court and of Univac (the computer maker), can boast the greatest number of enquiries. Since 1973 it has been handling annually some 170,000 enquiries from between two and three thousand customers including public administrators, academics and practising or employed lawyers. The secret of its success is simple:

ITALIQUE operates free of charge.

My learned friends the computers

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

systems—they have to turn to similar or identical computer systems or other sources (courts, libraries, publishers, government publication offices) for the relevant documents. One of these is the CELEX system of the Legal Service of the European Communities. It stores Community law, mainly in the benefit of Community institutions. Unfortunately, it takes about four months from publication before the documents are fed into the system's memory. As it often takes a long time before Community decisions are published at all, the value of the system seems to be greater for historical researchers than for

practising or employed lawyers. The original English translation. The Italian Parliament

uses CAMERA '72 for regional

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Vaigly Great best for Diadem

ALTHOUGH THE ground is officially forecast as firm, there has been watering on the straight course at Ascot and a good covering of grass there suggests that few runners will be inconvenienced by the going.

A number of interesting entries have been attracted and the Diadem Stakes and the Hoover Fillies Mile will both have good fields.

There is no escaping the claims of Vaigly Great in the Group

3.9. Captain, to whom she was com-
panionship. Bananas

Stable companion. In the Curragh's Foster, or Marble Bar.

Marcie Bay, a 57,000 guineas yearling by Wolver Hollow out of Bolting (already responsible for Turnpike), has proved a disappointment in maiden events at Yarmouth and Doncaster.

However, he is highly regarded by Henry Cecil, who has had

successive juvenile winners at this occasion.

Bananas Foster, thought to be Stoute's best juvenile after the brilliant speedy Schwenepheire Lad, went down lack of experience in a modest event at Yarmouth a few days ago.

He followed up in a most equally impressive style when winning 11 upstarts headed by Kincraig's Pet in Godolphin's richly-endowed Waterford Caledonia Stakes.

Formulate, a half-sister to Beale High Season, came up to the challenge with flying colours in the Honer Mile, another Group 3 event. I find it difficult to choose between the progressive Formulate and Jeremy Tree's lightly-raced filly, Scintillate.

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11.00 Tanitch.

11.45 Weather Regional News for England (except London), 3.35 Play School, 4.20 Help! It's the Hair Box, 4.40 Rent, 4.40 Rentals, 5.05 John Craven's Newsround, 5.10 Blue Peter.

5.40 News, 5.55 Nationwide, 6.20 Nationwide, 6.25 Tomorrow World, 7.20 Top of the Pops, 8.00 The Good Life, 8.30 Mastermind, 8.30 News, 9.00 News, 9.35 Most Wanted, 10.15 Holiday on Ice.

BBC 1 8.40-7.55 am Open University (Ultra High Frequency only), 9.41 For Schools, Colleges, 13.35 pm On the Move, 12.45 News, 1.00 Pebble Mill, 1.45 Mister Men, 2.00 You and Me, 2.14 For Schools, 10.15 Holiday on Ice.

BBC 2 6.40-7.55 am Open University (BBC-1 except at 11.30), 7.55 Play School (as BBC-1 except at the following times): 7.55-8.15 John Craven's Newsround, 8.15 Blue Peter, 8.30 Help!, 8.40 Rentals, 9.05 John Craven's Newsround, 9.15-9.25 John Craven's Newsround, 9.25-9.35 John Craven's Newsround, 9.35-9.45 John Craven's Newsround, 9.45-9.55 John Craven's Newsround, 9.55-9.58 John Craven's Newsround, 9.58-9.59 John Craven's Newsround, 9.59-9.60 John Craven's Newsround, 9.60-9.61 John Craven's Newsround, 9.61-

Eastern prizewinners

by DOMINIC GILL

Rakhmaninov: Piano concerto no. 2, Three Preludes. Dmitri Alexeev, RPO/Vladimir Fedosev. EMI ASD 3457 (£4.80). **Moscow:** Piano concerto no. 1, Concerto for the left hand. Andrei Gavrilov, LSO/Rattle. EMI ASD 3571 (£4.80). **Karabtsev:** 12 Sonatas. Andrei Schiff, Hungarian SLPX 11804 (£3.40).

Whatever the contradictions and deficiencies of piano competitions, they do regularly bring out the best talent. The usual political difficulties have prevented us from hearing as much as we would like of Dmitri Alexeev, the young Soviet first-prize winner in the last-but-one Tchaikovsky Competition. But we do have two records available which confirm the justice (and dare one admit it, even for once) of the wisdom of the jury's decision—Brahms' recital, and now this new Rakhmaninov disc, both issued by EMI.

It would seem to be after the competition, however, that the real disagreements began. Writing in the *Rakhmaninov*, his colleague at the Gramophone magazine, remarks dismally that he had hoped that this disc would be more engaging than Alexeev's previous 'set' of Brahms pieces: "I can assure you that the virtuosity is tough and

thoughtful as well as exuberant complement; since the 'previous LP' (EMI HQS 1378) of this very remarkable young Russian pianist, and actually his record debut, was among the dozen outstanding piano records of 1977, itself an exceptionally rich and rewarding year.

The new disc hardly betters the first; but it contains performances of the Rakhmaninov second concerto, and notably of three solo Preludes of the greatest distinction, which cannot be lightly passed over. Alexeev gives a grand and pungent account of the top, 18 concerto, weighty in impulse but delicately nuanced, accompanied by the RPO with admirable vigour and clarity; like that of the Preludes, a keenly intelligent and poetical reading; thrown off with much brilliance, but never blurred or overstated. A fine second disc, full of promise, and warmly recommended.

Andrej Gavrilov, who won the Tchaikovsky Competition in Moscow in 1974, is a prodigious talent of 22, and another of the young generation of Russian pianists whose transcendental technique is put firmly in the service of music, and never merely mechanical display. He is a more ostentatiously virtuosic pianist than Alexeev, as his choice of programme shows; but I can assure you that the virtuosity is tough and

thoughtful as well as exuberant

compliment;

since the

'previous

LP'

(EMI HQS 1378)

of

Prokofiev with a great deal more to it than a mere suggestion of devilish force; and a *Liszt La camponella* of astonishing facility, spun from pure crystal.

The recital is impressive enough; but Gavrilov's Prokofiev concerto is, I think, probably the most exciting performance of that work yet to appear on record—and that judgment takes into account much distinguished com-

petition. The music is poised on a knife-edge, every detail of articulation diamond sharp. There is notably strong and sensitive support also from Rattle and the LSO, both in the Prokofiev and in a nobly resonant account of the Ravel left-hand concerto, exquisitely shaped. A remarkable pair of records, difficult to recommend too highly.

The Hungarian Andras Schiff

(b. 1953)

is a runner-up to

Alexeev and Gavrilov—in the same competitions they won, he was placed respectively joint-third and fourth. His is a smaller-scale, but no lesser, talent; quieter and more intimate, full of wayward laughter, bubbling humour, gentle poetry and sharp comment. His latest disc offers a recital of a dozen Scarlatti sonatas: polished, but wholly unflashy performances, made with evident care and love. The sequence is well-varied, and chosen with an ear to effective contrast: the B minor sonata K27, for example, delivered without a trace of rhetoric, smoothly, lyrical, as a prelude to the well-known D major K48, more keenly, dramatically sprung. Any track could serve as a sample: specially memorable perhaps the lovely dance-like Schiff finds in the skipping paragraphs of the C major sonata K17, and the deft and subtle variations he achieves between each pair of repeats.

Leonard Burt

A scene from '4.6.78'

Sadler's Wells

De Valois Gala

by CLEMENT CRISP

In a curtain speech after Tues-

day night's jollifications, Dame Ninette de Valois observed that this was the third celebration in honour of her eightieth birthday. But when one is so greatly loved as Madam, and when so many, many people stand so deeply in debt to you, the excess is excusable, and Sadler's Wells Theatre was the right place for the culmination of the festivities. This was the stage where, after all, everything really began, and the programme acknowledged the fact by showing three generations of British choreographers that span the history of our National Ballet.

Les Patineurs and The Rake's Progress tell us of the high quality of the creativity of the early years. Rake, I thought, looked especially strong. Structurally it is very sound, its dramatic momentum never slackening; the Rex Whistler designs are still among the best the Royal Ballet has owned, and by its very "Englishness" the ballet says a great deal about the aspirations and achievements of de Valois as creator and inspirer of a company.

Desmond Kelly was the Rake.

His characterisation seems sobered in the first scenes, but in

the Gambling Den—which I find the best and tautest of the ballet's incidents—despair claims

the Rake, and the final passage in Bedlam was stunningly well done, the role played from a still centre of horror and degradation.

The novelties of the evening

were two occasional pieces. The first was David Binley's Take Five, briefest of cabaret items.

Hippisley Cox started collect-

ing in the 1920s with the pro-

gramme of the first circus he

saw: Barretts Royal Canadian

Ninette's birthday set to Samuel

Bartlett's fragmented "Capricorn Concerto." It contains a series

of running jokes best under-

stood by ballet-goers who know something of de Valois' ballets—they will recognise the arms-spread pose from Rake; the Betrayed

and be adorable.

A few ounces more consider-

able was Kenneth MacMillan

6.6.78

being the date of Dame

Ninette's birth

sign,

and Desmond Kelly as Gemini

(Dame Ninette's birth

sign), and for them MacMillan has devised a beautiful pas de deux which is threaded through the action. It is serious writing for two excellent dancers, rather in Moyse's mood, and at more relaxed

Books Page will appear

on Saturday

set to Dave Brubeck music, which Girl's exit pushed by her mother moments there are some after-

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same

ballet

material

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for the love and admiration

of the zodiac. In

This tribute is clearly mark-

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MacMillan offers to Dame Ninete-

Bintley has most of the tricks up

stage against a pretty pastel

—as do we all. And if we ar-

we

to the shade of Lilian Baylis

Wells, to be generous.

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stage against a pretty pastel

—as do we all. And if we ar-

we

to the shade of Lilian Baylis

Wells, to be generous.

Books Page will appear

on Saturday

set to Dave

Brubeck

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Girl's exit

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FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telex: Finantmo, London PS4. Telex: 886341/2. 883897

Telephone: 01-245 8000

Thursday September 28 1978

Quiet end to U.S. boom

THE RECENT news of the U.S. economy, of somewhat improved trade figures, rising interest rates and somewhat less hysteria in foreign exchange markets all are evidence of the same underlying cause: the remarkable recovery of demand in the domestic economy, now in its fourth year, has begun to top out.

Abnormal

The abnormal length of the boom has three explanations, and all of them also help to define the present condition of the U.S. economy. First, the existence until recently of very large spare capacity has meant that investment demand has been much lower than would be normal in a period of rapid growth. This has limited demand for credit, and so helped to prevent the rise in interest rates so confidently forecast for 1975 and 1976 until quite late in 1977. The large Federal deficit, which might also have driven up rates, has been readily financed until the middle of this year by foreign central banks striving to limit the appreciation of their own currencies. The rapid growth of the labour force has also delayed the onset of any real tightness in the labour market.

During recent months all these influences have spent their force. Capacity shortages have been beginning to appear since the start of the year, foreign intervention slowed down dramatically after the international meetings in June and July, and unfilled vacancies for experienced men have been rising steeply. At the same time consumers are becoming much less willing to incur further debt. No policy changes have been needed to secure some slowing of the growth of demand and a sharp rise in interest rates; these are the natural reactions to external and internal pressures.

These developments have led some forecasters to fear that the long U.S. boom will end in a very sharp downturn, with a cyclical weakness of demand reinforced by a credit crunch, and confidence further undermined as the sharp fall in the international value of the dollar works through to domestic prices. Official forecasts, by contrast, look only to a healthy slowdown.

The gloomier forecasts seem to overlook the fact that the depreciation of the dollar will go on.

The risks in Rhodesia

THOUGH HE did not spell it out in so many words, Dr. David Owen's speech to the United Nations yesterday stressed the central fact about the Rhodesian situation, which has become and indeed for the rest of the increasingly obvious in recent weeks: that the time for a continued effort to persuade the parties to negotiate and to run out, if it has not run out, compromise. A terrible interlude. The longer the fighting continues from outside, the more conditions inside Rhodesia only way in which the fighting deteriorate, the greater the risk that the guerrillas led by the Patriotic Front will feel that they have little to gain by making any concessions.

Outsiders may know that a "solution" to the Rhodesian problem brought about by violence would not be a solution at all. It would be disastrous for the people and the economy of the country, and even if it did not spill over into continued civil war, long after the collapse of the Salisbury government, South Africa would make impossible the establishment of a stable and democratic Zimbabwe. But the leaders of the Patriotic Front may well not apply the same calculus to the balance of issues at stake, even though they must know that, beyond some unspecified point, the fighting may acquire a momentum which could be unstoppable.

It is possible that the Pretoria Government misinterpreted the implications of the proposals put forward by Dr. Waldheim: if the five Western powers which played a key role in launching a UN plan for Namibia may yet be able to persuade the South Africans to reconsider. Much will depend, of course, on who succeeds Dr. Vorster as prime minister, and who is expected to be named by the party caucus today.

There has been a tendency to assume that last week's decision pointed to a general hardening of the line in the South African cabinet; but it is still possible that the very fact of a change in leadership will give some breathing space for reappraisal in Pretoria and for diplomacy by the western powers.

What is not in doubt is that it cannot be said that Dr. Owen's speech radiates optimism that such a negotiated settlement is round the corner. He stresses the continued divisions between the two wings of the Patriotic Front, which must be resolved before there can be this breathing space. And when very short, as short as the time he says: "If the parties continue still remaining for a peaceful settlement." The new deal came before the Committee of Lloyd's. Some of his competitors are amazed that it

B RITAIN and the United States are probably the two most advanced accounting countries in the world. They both follow the historic cost system (for the most part) in calculating profits, have a legal requirement that accounts present a fair view, and have a system of accounting standards to establish the framework for preparing accounts. But there the comparison ends.

In the U.S. accounting standards are dictated to a large extent by the needs and demands of those—primarily shareholders and investors—who have to make use of financial statements. This seems sensible, given that the purpose of accounts in the first place is to convey information about a company's performance and financial position to others.

In the UK, on the other hand, it would be very difficult to conclude that accounting standards are determined other than by the preparers. In other words, it is companies which dictate what is or is not acceptable in standards. The result is that UK accounting standards and exposure drafts (draft standards) are much more flexible than is the case across the Atlantic—and consequently of less use to shareholders and other readers.

A lot of money

Obvious though all this is to the leaders of the UK accountancy profession, there is little recognition of it in today's consultative document on the future of accounting standards, published by the Accounting Standards Committee. Prepared by a group chaired by new ASC chairman, Mr. Tom Watts, the 28-page report can best be described as an analysis of the various ways in which accounting standards could be set and administered, which concludes in favour of the status quo and asks for a lot more money for doing the same job as now.

Mr. Watts begins his report by considering the need for accounting standards. A company could dream up any accounting concoction it liked tax campaign did not go unnoticed by the property companies. They had long objected internally—the only requirement being that it should stick to a draft standard which to the same system each time. But when it comes to satisfying legal reporting responsibilities to shareholders under the Companies' Acts there is a fairly obvious need for consistency and comparability from one company to another. It is here, in the words of the Watts report, "that accounting standards were and are required: not necessarily imposing uniformity but at least narrowing the choices, so as to make financial statements more helpful to users."

Accounting standards fit neatly into the Companies Act representatives before exposure to avoid confrontations with

requirement that accounts drafts were issued. The first companies, so they support this view "in that they constitute part of the framework of what at any point of time is regarded as giving a true and fair view." More simply, they enable accounts users to understand the language companies use for reporting their accounts. The converse of this is that so long as there is more than one alternative method available to companies far, for example, accounting for taxes, or currency translation the more difficult it will be for users to make best use of their accounts.

Admittedly, the ASC was founded with the less ambitious objective of only "narrowing the areas of difference and variety" in accounting practice. But initial standards—on associated companies, earnings per share, extraordinary items and prior year adjustments—suggested that the ideal of one standard was achievable. Then came the skirmish on research and development. An ASC exposure draft (in the best tradition of prudence) proposed that such expenditure should be written off against profit as incurred. But a sharp rejection of the proposals by aerospace and electronics companies—among them Westland Aircraft—resulted in a revised standard which gave the two industries what they wanted—the opportunity to capitalise some development costs.

But R and D was nothing in comparison with what followed on the matter of deferred tax. The ASC goes as far as issuing a standard, requiring companies to provide for both actual and potential tax liabilities deferred as a result of tax incentives, before industry realised it did not like the new rules. The result was an unprecedented outcry which eventually resulted in the suspension of a standard most auditors believed to be appropriate to the historic cost accounting system. This was replaced by the much-quoted draft ED 18, which says companies need only provide the taxes they will have to pay in the foreseeable future. To cap it all, the eventual standard due out soon will allow either the old or the new system.

The success of the deferred tax campaign did not go unnoticed by the property companies. They had long objected internally—the only requirement being that it should stick to a draft standard which to the same system each time. But when it comes to satisfying legal reporting responsibilities to shareholders under the Companies' Acts there is a fairly obvious need for consistency and comparability from one company to another. It is here, in the words of the Watts report, "that accounting standards were and are required: not necessarily imposing uniformity but at least narrowing the choices, so as to make financial statements more helpful to users."

Accounting standards fit neatly into the Companies Act representatives before exposure to avoid confrontations with

The need to abolish double standards in accountancy

BY MICHAEL LAFFERTY

SOME QUESTIONS FROM THE ASC

Part of a list of questions on which views have been sought

THE NATURE OF ACCOUNTING STANDARDS (SSAPs)

- Is there a continuing need for accounting standards designed at least to narrow the areas of difference in accounting practice?
- Is it accepted that reasonable consistency of accounting principles is desirable between various undertakings?
- Is it agreed that SSAPs are needed to enable users of accounts to compare the performance of different organisations?
- Is it agreed that SSAPs should not be used merely as a benchmark against which deviation should be measured?

THE APPLICATION AND ENFORCEMENT OF SSAPs

- Should SSAPs be developed for particular industries?
- Should SSAPs be enforced beyond the duties presently imposed upon members of the accountancy profession?
- Should enforcement (as opposed to application) generally be limited to listed companies?
- Should the enforcement body be:
 - (a) a government department
 - (b) an agency (e.g. the Office of the SEC)
 - (c) the Stock Exchange
 - (d) a branch of the CSF
- Should the sanctions comprise:
 - (a) suspension of listing
 - (b) censure
 - (c) an alternative...
- Should the auditor's report always refer to:
 - (a) compliance
 - (b) material departures, where he agrees
 - (c) where he disagrees

THE STANDARD SETTING BODY

- Should SSAPs be set by:
 - (a) Parliament
 - (b) a government department
 - (c) a government agency
 - (d) a self-regulatory body and if so, should it be one which is wholly independent of the accountancy profession
 - which consists of accountants only
 - which consists of a wider membership than just accountants?
- Is it acceptable to retain the ASC very broadly as at present?
- Should the Councils of the accountancy bodies continue to have the full right to vote or agree to the publication of an SSAP?
- If not who should:
 - the ASC itself
 - another body...?
- Should ASC members continue to be part-time and unpaid?

FINANCE

- Who should pay for the standard setting body:
 - (a) the accountancy profession
 - (b) producers of accounts
 - (c) users of accounts
 - (d) government
 - (e) others...?
- Should finance be "voluntary" and handled by a foundation on the lines of the Financial Accounting Foundation in the U.S.

AN "AGREED CONCEPTUAL FRAMEWORK"

- Is it accepted that there is at present no single "model" or "agreed conceptual framework" which can be used as the touchstone for accounting standards?
- Should the ASC encourage research into the possibility of finding an acceptable "model"?

different methods still available wise, have the ability and tools to management for calculating nical knowledge to make the profit. The historic cost necessary re-adjustments? accounting system needs to be There is also the matter of standardised far more. Maybe statistical services, which produce historic records of company results. Whether accountants like it or not there is something unique about the profit figure in company accounts. This does not mean that it is absolutely right: What it ought to mean is that it has been arrived at on a consistent basis, and is comparable as far as possible with other companies.

A suggestion often put forward in connection with standardisation is that it is better to allow companies flexibility to follow whichever accounting method (of the permitted alternatives) they think most appropriate, so long as the effect of adopting the other basis is quantified in notes. This is what is currently happening with the draft standard on accounting for taxes. It is seeking to extend existing rights to accounting information and hence the obligation of accountants largely beyond the traditional groups of shareholders, creditors and future investors. Surely these are the major weaknesses in the present accounting system as far as these people are concerned. It is a case of government by consent. Naturally enough, auditors want to be part of the variety of holders, institutional or other deserve.

Mr. Watts has started the ball rolling. It is now up to shareholders, investors, creditors and other users of company accounts to take advantage of the next six months to emphasise their needs in the accounting standards game. Otherwise they will have only themselves to blame, and are likely to go on getting the double standards they will deserve.

MEN AND MATTERS

Steering a smooth course

The talks now taking place between two of the world's largest insurance broking groups, C. T. Bowring of the UK and Marsh and McLennan of the U.S., are being viewed with a certain irony by other members of the London market.

It has not escaped the eagle eye of the insurance men that Ivar Binney, chairman and chief executive of C. T. Bowring (Insurance) Holdings, is a member of the Committee of Lloyds which earlier this year blocked an attempt by Marsh and McLennan to take over the UK firm Wigham Pollock.

The controversial ruling by the Committee was that no insurance interest outside the Lloyd's market could normally hold more than 20 per cent of the equity in a Lloyd's broker. Binney tells me that, though he voted in favour of the 20 per cent rule, he and other parties with a close interest in the American broking scene left the Committee rooms during the vote on the specific cases.

It is perhaps worth pointing out that another Bowring man, Kenneth Lambert Coles of C. T. Bowring (Underwriting Agencies), chaired the Committee's working party which planned the 20 per cent rule which blocked the American bids.

Jack Regan, Marsh and McLennan's chairman, tells me that he was quite annoyed at the time but he is obviously not a man to bear a grudge. The new deal would allow the two groups to pool combined broking incomes of about \$550m without incurring the wrath of Lloyd's. "When Mr. Binney suggested the framework for the deal I thought it would be a fine solution," he says.

Binney did not vote when this new deal came before the Committee of Lloyd's. Some of his competitors are amazed that it



"If you ask me EEC fishing has a glut of red herring."

went through the Committee without a hitch but then Binney had been in as good a position as any to predict the wishes of the Committee—as he himself might admit.

Common fallacies

The European Parliament's office in London admitted yesterday that it would "probably" face an uphill task explaining to Britain at large what the coming Euro-elections are all about. As a preliminary to the campaign a poll has been conducted asking people what were the problems of the Common Market, its powers, and similar burning questions.

The response? "The results are still being analysed," said a spokesman guardedly. "We have an impressionistic view." And the impressions? "People are very confused... but then they are confused by the relationship between Parliament and government and councils. The confusion isn't confined to Europe. There's a feeling that things are being done 'up there,' but then that's equally characteristic of government

and business. So far we have found nothing unusual."

One story being circulated is that some of those questioned about the identity of the "top man" in Brussels got it right: Jenkins. But when pressed a large number thought his Christian name was Clive.

Meanwhile telephone traffic to the EEC's office is high, with a large number of calls from potential candidates for the mammoth 500,000-voter Euro-constituencies, among them Lord George Brown.

Kindly weed

The well-equipped traveller to sultry climes may soon find himself adding an unusual item to his complement of visas, tickets and injection certificates. A common weed could prove just what he needs—at least if he faces the risk of that most insidious disease in the tropics and sub-tropics, bilharziasis.

More than 200m people in the Third World are affected by this front. Castro's regime initially abolished the 960 Cuban varieties in snails, fork-tailed larvae of the blood fluke swim in water ponds and waterways. Davidoff tells me, claiming he was instrumental in persuading Castro's emissaries to Egypt, where up to half the population is affected. But now almost romantic interest in cigars far outweighs politics. He is fond of quoting Franz Liszt: "A good Cuban cigar closes the door to the vulgarities of the world." He himself smokes two a day. No more? "It's a luxury Ganges plant a little ragweed."

So if you are planning to swim in the Nile or float in the

Ganges, plant a little ragweed. **Rubbing it in**

Up in smoke

It is some distance from a childhood spent in Kiev rolling cigarettes en famille to the soft light grandeur and foot-long restaurant bills of London's West End. But it is a journey travelled with the lightest of treads by Zino Davidoff, the 73-year-old tobacco king.

Unit Trust Notebook

No. 17

Unit Trust Statistics

Every month the Unit Trust Association issues statistics for the industry. Why are these figures significant? This is what they show:

- a. Sales. Gross sales for the month usually fall within the range of £20m to £50m. Sales for the latest month (June 1978) were £49.56m.
- b. Repurchases. Every month a proportion of the units issued in the past are cashed in by unitholders. Annual repurchases as a percentage of total funds have varied during the last 10 years between 4% and 8%.

- c. Net new investment (a minus b). This has been positive for every month since May 1961; in other words, there has been a net monthly addition to the funds invested in the industry for the last 17 years. The lowest level since 1961 occurred in September 1971 (£0.24m), and the highest was £70.29m in April 1978. Net new investment in June 1978 was £23.85m.
- d. Value of funds. The total value of funds managed by the industry in June 1978 was £3,708m. The record was reached in the previous month, when funds were over £3,726m.

- e. Unitholders' accounts. This figure shows the number of accounts, not the number of people investing in unit trusts. The number of unitholders' accounts has declined by about 22% since 1970, due to factors such as the merger of unit trust funds, rationalisation of holdings by investors, and the conversion of holdings into equity-linked policies. About two million people are estimated to invest directly or indirectly in unit trusts.

The figures are important because they are an indication of people's attitude to stocks and shares. Unit trusts are the simplest way of purchasing a managed portfolio of equities on a non contractual basis. They need not be linked to life assurance or a pension fund, and investment in units may be started or terminated without penalty.

Unit Trust Association

Park House, 16 Finsbury Circus, London EC2M 7JP Tel: 01-628 0371

Observer

Double
tancy

Financial Times Thursday September 28 1978

July 1978

23

ECONOMIC VIEWPOINT

The future of the British boom

OF my more sceptical winter or spring the message exert an old-fashioned stimulus ers were surprised to find may have got home, even and prolong the boom still article in the Lombard through the pace of the boom further.

"Why the Economy is and Labour may then have a better chance than it is now in which I predicted better chance than it is now in the official fashionable to suppose."

The economic prediction was kind. Any politician who has been discussing relate British output in overseas markets has increased. The terms of trade have improved by over 4 per cent in the course of 1977 and by another 3 per cent or in line with the national product growth rate.

Now, however, public expenditure seems to be rising at least so far in 1978. The major duet: so any further relief influences here have been weak could come about only through the world commodity prices and an hazardous exercise in fiscal stimulation. Nor is it possible to bring with it a renewed stagnation and a resumed increase of unemployment.

The difficulty about predicting the movement of real output and employment is the collapse of any useful theory for the purpose. At one time both Keynesians and monetarists would have agreed that an expansion of the Public Sector Borrowing Requirement, together with an accommodating money supply increase, would provide a short-term stimulus to output; the disagreement would have been about the longer-term effect. Today, however, respectable support can be found for the views that a higher PSBR would be expansionary, contractionary, or have no effect at all.

The crucial question then becomes: what will happen to there "having to be" a pay norm prices? The most important for the state sector, the main short term determinant of contribution that the public services can make to stability is change rate, not only because of its effect on import costs, but also because it determines the individual supply and demand sterling prices which companies can charge to compete with. Moreover, in following the overseas suppliers in both home course of wages, it will be export markets. An important not to be mesmerised economic grounds there is every by individual headline settlements such as Ford, which are reason to expect the present reason for the state sector, often not the pace-setters of establishment mythology, and currencies for the next few to follow instead the rather less months. The weakness of the dollar, the moderate tightness of British monetary policy, and the impact of North Sea oil all increases of 12 to 13 per cent.

JULY 2018

BIDS AND DEALS

New terms for Weston-Evans stake accepted by BMCT

The last obstacle to Johnson's fifth bid for Weston-Evans, and the Lancashire engineering firm was removed yesterday at Birmingham's Midland Hotel. Weston agreed to accept JFB's offer of £105,000,000, which made itself a £38,000,000 stake in the company, controlling a 42.5 per cent and jointly owned by Graham Ferguson Lacey and for over four years. Cecil McBride—both directors—had rejected JFB's final offer as too low.

It however did not stop the going unconditional on Tuesday when JFB announced that controlled just over 52 per cent of Weston. At the same time JFB increased the cash element of its bid by 3.3 per cent.

Weston's bid was lifted by further 3.7p, making a total of 7p. This was enough

to force BMCT to accept leave-

ing date (October 31, 1977) the sale on September 21, by two family settlements of which he is the first named trustee of £56,101 ordinary shares and other small sales, the total number of ordinary shares which he had an interest in that day was 6,214,882 shares (4.55 per cent).

Crest Nicholson Mr. G. R. Fox, director, has disposed of 20,000 ordinary shares.

Birmingham Mint Astra Industrial Group has purchased a further 35,000 shares making 190,000 in all (9.5 per cent).

United Mr. P. A. M. Curry and Mr. J. A. H. Curry, directors, have exercised their options under the executive share incentive scheme in relation to 9,000 and 8,000 pp shares respectively. Mr. A. G. Macpherson, director, disposed of 15,000 ordinary shares, 10,000 of which, he held as a director.

The rescue programme for KCA International, formerly Berry Wiggins, has been completed and the group's chairman, Mr. Paul Bristol, has written to shareholders to give a picture of what the group will look like now that the loose ends have been mostly tied up.

Mr. Travis Ward, the independent Texaco oil man, agreed to purchase four rigs and ancillary equipment associated with the group's loss-making Algerian contract. The purchase was undertaken through Ward International Ltd.

The group says that as a result of the completion debts totalling £12.2m have been discharged and Mr. Ward has acquired a 24 per cent stake in the company for £2.1m. An earlier attempt by Mr. Ward to bid for all the company was dropped.

In addition Ward International has kept the group's further 25m to pay other debts arising out of the Algerian contract. The effect of these and other transactions are reflected in a pro-forma balance sheet.

This shows net borrowings of £2.2m against tangible shareholders funds of around £9m.

Osterley is conveniently situated for the West End of London and Heathrow Airport, and Addis. It is hoped to enlarge the facilities in due course.

DDA ACQUIRES STERLEY MOTEL

da International announces

it contracts have been ex-

changed for the acquisition of the

Streets Motel in London.

It comprises nearly 30 bed-

rooms, conference accommoda-

tion, for 400 and extensive other

facilities including restaurants.

In a site of over one acre,

Osterley is conveniently situ-

ated for the West End of Lon-

don and Heathrow Airport,

and Addis. It is hoped to en-

large the facilities in due course.

THIRSHAWE URCHASE

Thirshawe Holdings has

acquired Aspex, a private com-

pany supplying selected parts

of the ophthalmic industry—for

£600 cash. At the last account

THARSIS

THE THARSIS SULPHUR & COPPER CO LTD

INTERIM STATEMENT

Six months ended 30th June 1978

6 months to 30.6.78

(Unaudited) 6 months to 30.6.77

(Unaudited)

£ £ £

urnover 5,226,634 8,231,980 8,904,964

Profit before Taxation 841,929 490,975 707,823

Estimated Taxation 113,400 1,210 17,541

Profit after Taxation 728,529 484,765 680,552

Tons Tons Tons

Shipments Sales-Tonnage 685,942 564,346 1,080,580

ie profit for the first six months to 30th June 1978 compared

with the same period of the previous year, including land sales, as improved due mainly to the substantial increase in sales

volume. An important maintenance operation was carried out on our shipping installations at Corrales, Huelva during the month of July which required a complete stoppage in loading for almost three weeks. Our customers had been advised of

the operation and during the month of June took additional

storage to cover the requirements of their plants in July.

Subsequently our shipments during July were extremely low,

which will have an adverse effect on the results of the second

half of the year and it is expected that the total sales for the

year will be somewhat lower than last year. It is expected

at 1978 will be a trading year similar in conditions and

suits to last year.

Company is still awaiting permission from the Spanish

exchange Control authorities to transfer the necessary funds

to pay the final dividend of 6 pence per share (inclusive of

y tax credit or tax deduction) declared at the Annual

General Meeting on 18th June 1978 in respect of the year 1977

and payable at such time and in such manner as the Directors

may determine. The Board are still

negotiating with the Spanish authorities but it is hoped that

satisfactory reply will be obtained shortly. Taking this

into account your Directors have decided that it

would not be appropriate to pay any interim dividend in

respect of the current year but to await the final results for

the year before making any dividend recommendation.

A procedure relative to the transfer of the mining and

industrial assets of your Company to its wholly-owned Spanish

subsidiary, Compañía Española de Minas de Tharsis S.A., to

comply with the requirements of the Spanish mining law, is

at an advanced stage and only awaits approval of the

Spanish Ministry of Finance for its final implementation.

Its approval is expected in the course of the next few months.

JAMES C. ROBERTSON,
Chairman.

Registered Office:
6 West George Street,
Glasgow G2 2HF.
1 September 1978.

LONGTON

TRANSPORT (HOLDINGS) LIMITED

Turnaround 31st March

1978 £'000

1977 £'000

Sales 27,870 25,510

Profit before taxation 1,146 1,327

Profit after taxation 1,028 1,079

Earnings per ordinary share 16.8p 17.1p

Dividend per share 4.86p 5.44p

maximum permitted

Extracts from circulated Statement of the Chairman, Mr. Alfred J. Dafe

Profit before taxation amounted to £1,145,610 for the year compared

with £1,327,052. The reduction in profit before tax was, to a large

extent, caused by adverse trading conditions in the steel stockholding and transport industries.

Transport, Storage and Distribution Division—A more stable situation

is developed and trading is at a more satisfactory level.

Steel Stockholding—Trading prospects for the current year appear to be considerably brighter.

Distribution achieved some real growth in sales, with increased

traffic particularly in the last quarter of the financial year.

The Annual General Meeting, the Chairman said:

The first few months of the current year have started well.

All divisions of the Group have shown improved results in

the first quarter as compared with the same period in 1977.

Providing we maintain a flexible and adaptable approach

in dealing with the problems which may confront us, I am

confident that during the current year we should be able to

improve on our present level of profits.

Copies of the Report and Accounts may be obtained from the Secretary,

Head Office, 473 King Street, Longton, Stoke-on-Trent ST3 1EU.

Talbex buys 29% stake in Hoskins & Horton

Talbex Group has bought 29.15p per share paid for the stake is below the recent market price of Hoskins and Horton of around 17.5p per share. The price was based on its net asset value.

The chents of Artec, a Middle East bank with strong Middle East connections, bought their stake in Hoskins and Horton in February at an average price of 15.6p per share. The shares were sold on speculation of a bid which in the event came not from Artec but from its 22 per cent owned UK associate, Talbex. Artec and Talbex have three or four directors in common.

The reason for the transfer of the stake from Artec to Talbex is to clear the decks, said a spokesman for Talbex yesterday. The company wished to avoid the accusation that it was bidding a high price for Hoskins and Horton for the benefit of the clients of Artec. Now Talbex could proceed with its bid negotiations without inhibition. The price of

RIGHTWISE MERGER SANCTIONED

The merger of Rightwise Holdings, Gadek Indonesia and Arbour Court Investments received the sanction of the High Court on September 20 in the case of the new Rightwise securities are expected to begin on Friday.

The Stock Exchange listing of Deundi (previously suspended) has been cancelled and the new Rightwise shares and convertible loan stock issued under the scheme have been granted listing.

Engineering companies had been rejected in favour of an insurance broker because "insurance brokers have low capital requirements and inflation proof earnings."

Engineering companies had been rejected in favour of an insurance broker because "insurance brokers have low capital requirements and inflation proof earnings."

Pending the despatch of certificates, former holders of Gadek Indonesia shares who elected to receive stock and wish to verify their precise holdings of new Rightwise shares and stock are requested to contact the registrars.

ELLIS & GOLDSTEIN

Ellis and Goldstein (Holdings) has agreed to sell to Coop Sportsware, the French premises at 81 Maritime Road, Stevenage, Herts, together with certain items of plant and equipment for £300,000 cash.

The net book amount of the assets being sold is £255,000.

The premises in Stevenage, originally used as a ladies dress factory, have been fully let since 1978 producing an annual rental income of £23,800.

The cash released by the sale of the property will be used in the continuing development of E. and G.'s business, the company states.

J. F. NASH/BLACK AND EDGINGTON

The scheme of arrangement and amalgamation by which Black and Edgington is to acquire from J. F. Nash Securities the Galley Caravans Group, was sanctioned by the High Court. Completion will take place on October 4.

As a consequence of the trading results achieved by those plantation companies in which the company is invested, it is enjoying increased dividend income.

Once again the company has

realised modest gains from the disposal of some of its industrial investments resulting from a re-appraisal of their prospects. The directors say they would be disappointed if accounts for the year to December 31, 1978, did not do justice to the year.

Since the commencement of the year the directors have directed the major portion of new investment into shares of those plantation companies in which historically it had a substantial interest. Generally, the trading results during the first six months of this year have been fully maintained, although the results of this year's operations are that profits for 1978 could fall significantly below the levels enjoyed during the previous few years. The financial strength of the companies within the portfolio is such as to suggest they will be able to continue with their long term expansion and maintain their position as leaders within the industry.

Of the trading companies they report that the momentum of last year's trend of increased sales and profits has been fully maintained during the first six months of this year's operations. Prospects for philately, fine arts and

antiquities remain good, so that with excellent stock levels the company should be able to continue to benefit. Accordingly, they anticipate that trading companies will show improved results.

Camellia Investments

foresees improvement

Product Director.

Payment is to be made in two

instalments: £100,000 on completion of the deal and £150,000 12 months later.

At December 31, 1977, the Notcut Group showed net assets of £364,424. Net profits before tax and minority interests were £170,000. Taxable profits for the current year are forecast not to exceed £220,000.

Notcut's specialist interests in mainly motor insurance broking, Motor and goods in transit insurance business accounted for 60 per cent

INTERNATIONAL FINANCIAL AND COMPANY NEWS

AMERICAN NEWS

Delta Airlines moves towards Boeing purchase

By JOHN WYLES

NEW YORK, Sept. 27.

DELTA AIRLINES is moving earlier this month when they ordered a total of 40 757s. Significantly, the one design which has not featured strongly in Delta's calculations is McDonnell Douglas' proposed rival to the Boeing designs. The AMTR. Despite indications from the company at Britain's Farnborough Air Show earlier this month that it would be marketing the AMTR vigorously, Mr. Oppenlander said today that McDonnell Douglas had not notably exerted itself in trying to attract the airline's attention to the AMTR.

Delta is looking for delivery of new aircraft from 1982 onwards, and although it has a comparatively young fleet with an average age of only five years, it is seeking to replace its DC9s and 727s. Its interest in adding 165-seat aircraft to its fleet has been quickened by this year's remarkable growth in airline traffic, which by the end of July had added nearly 30 per cent to Delta's revenue passenger miles and raised its average passenger load factor from 69.6 per cent to 68.8 per cent. Airport regulations in many parts of the U.S. prevent airlines from adding to the frequency of services on high density routes, which leaves them with little alternative to employing larger aircraft.

Meanwhile, there are no indications as to when American Airlines may be revealing its purchasing plans. A strong internal debate is said to be going on as to whether the airline should opt for a twin-jet wide-bodied medium range aircraft like the Boeing or whether it should order Boeing's proposed wide-bodied tri-jet, the 777, which has not yet received any launching orders.

AT & T outlook bright

NEW YORK, Sept. 27.

THIS YEAR could be "the best year yet" for the American Telephone and Telegraph Company, according to chairman John D. Deutels.

Expenses are underrunning expectations whereas earnings for the three months ended August 31 were 20 per cent higher than the same period a year earlier. "Hopefully, we'll be able to maintain that level of growth for the remainder of the year," Deutels said, but he declined to discuss specific earnings estimates or to comment on projections that per share earnings this year will be between \$7.55 and \$7.65, an increase of more than 3 per cent from the \$6.97 a share earned in 1977.

For the 12 months ended August 31 AT and T earned AP-DJ

Eastern may seek partner for protection

WASHINGTON, Sept. 27. EASTERN AIRLINES will seriously consider a merger with another airline if any of the currently proposed mergers in the U.S. airline sector, such as the merger plans of Pan American and National Airlines, are approved by the Government.

The airline's chairman, Mr. Frank Borman, indicated that Eastern would have to seek a merger partner for defensive reasons since it would be competing against larger and more powerful operators.

He reiterated that Eastern anticipated its most successful year yet with a strong first quarter next year followed by some weakness in the second quarter.

Reuter

Esmark-Pemcor

Esmark said the exchange ratio for the previously announced merger of Pemcor into an Esmark subsidiary will be 1.1 shares of Esmark for each outstanding Pemcor share. Reuters reports from Chicago: Pemcor holders will vote on the merger at a special meeting on Thursday. If approved, Esmark will add about 2,366,000 common shares for the transaction.

Baxer Travenol

Baxer Travenol Laboratories has said it has partially completed repatriation of earnings from its Puerto Rican subsidiary, reports AP-DJ from Deerfield, Illinois. Assets and cash amounting to about US\$5m has been repatriated and additional transactions will be completed on the issue of a Puerto Rican tax ruling in the last quarter.

Olinkraft merger

Olinkraft directors are to seek further information about the Johns-Manville Corporation and the proposed offer made for 49 per cent of the outstanding common shares of Olinkraft, for \$37 per share with a subsequent merger, AP-DJ reports from New York.

Senate approval

Senate approval has been given regarding the U.S. Navy's \$807m shipbuilding settlement with General Dynamics and Litton Industries, Reuters reports from Washington. Approval of the agreement followed the Senate's defeat of an amendment to cut the first \$209m of the settlement from the Military Weapons Authorisation Bill. General Dynamics will receive \$434m in settlement of its submarine contract, while Litton will receive \$447m for its destroyer contract claims.

U.S. REGIONAL BANKS

Strengthening the capital base

BY STEWART FLEMING IN NEW YORK

WHILE MANY of the best earnings and reductions in loan loss provisions for improved profits.

Thus, since the end of 1975

the share prices of many regional banks have increased by 40 per cent twice that of the bigger money-center banks, and their earnings have been rising by 15 to 20 per cent for the past two or three years.

One of the most recent issues was from Texas Commerce Bancshares (TCB) a \$60m of assets institution, which earlier this month raised \$40m of new capital in New York. TCB, however, is just the latest in a list of medium-sized (in New York City terms) commercial banks to be taking advantage of rising earnings and a strong share price performance to raise essential capital. In the middle of the year, Seafirst, holding company for the Seattle First National Bank, added \$3m of equity capital. The same path has been trodden by several other regional banks in the \$3-6bn assets category, including for example Rainier Bancorp, another Seattle-based bank which raised \$29m, Valley National Bank of Phoenix, Arizona, which raised \$1m and Mercantile Bank of Dallas which last week raised \$32m.

The background of the share issues has been surging loan growth and profitability at many regional banks at a time when many of the big multi-national money centre banks have seen their domestic loan volume stagnating until earlier this year and have had to rely on foreign

and many banks around the country, Citibank found its hope frustrated by stagnating lending and rising loan loss provisions.

Currently Texas Commerce Bancshares has a \$3.5bn loan portfolio which means that loan

represent about 68 per cent of wholesale and retail deposits.

Two years ago, this figure was 61 per

cent but the bank is sufficient

to float commercial paper and

certificates of deposit and rais

funds in this way as well as

through the Federal fund

market and it is having to do

this in order to make up for the

shortfall in demand and say

ings deposit growth. The prob

lem of slackening retail depos

it in relation to loan

demand is one that is growing in

the regional banking system in

the U.S. Some of the specific

regional banks are having to

restrict their lending. Banks o

the size of Texas Commerce

Bancshares are not constrained

by this problem yet because a

their access to the wholesale

money markets.

Analysis are suggesting, how

ever, that the regional banks

costs of funds will now be re

ising along with the sharp increas

in short term interest rates. This

means that the profits spread

between lending margin and

the cost of funds will be shrink

ing. Therefore, loan volum

growth is likely to be the ke

to higher profitability, assum

banks have access to funds.

Its equity base at only a 12 per

cent rate while assets were

a close third in terms of retail

expanding at 16 per cent over

the same period. The result has

course, is a centre for the oil and

gas industry with about one

5.4 per cent uncomfortably close

to the 5 per cent which Mr. Love

has had the advantage, not

shared by most regional banks

of being located in what has

been a privileged region in

economic terms.

As Mr. Ben Love, the Bank's

chairman points out, Texas, and

particularly the Houston area

where the Bank has its headquar

ters has been a sector of the

suburb which has been ex

periencing a boom.

In each of the past four years,

it has been the leading State in

terms of new investment in plant

and equipment. This has given

the local economy some of the

most up to date plant and equip

ment in the country, and given

the local banks a broadening

economic base of finance, in con

trast with a few years ago when

the oil and gas industry was the

prime borrower.

In the past four years, the

Bank has been able to contemplate a 28 per

cent growth in loans this year

under the terms of the FF

Act of 1970. This has given the

Bank the ability to expand its

equity base comfortably in

relation to its assets, and leaves

the Bank comfortably in

control of its lending. This is

one of the main reasons why the

Bank has been able to grow so

well over the past four years.

Mr. Love says that the Bank has

been able to do this by taking over

other regional banks and merging

them into the Bank. This has

been a major factor in the Bank's

success in recent years.

It has also been able to do this by

acquiring other regional banks and

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INT'L FINANCIAL AND COMPANY NEWS

Rembrandt seeks R40m from debenture issue

BY RICHARD ROLFE

REMBRANDT GROUP, which is bidding for the outstanding 42 per cent holding in Oudeemeester, its domestic liquor interest, has arranged a R40m unsecured debenture issue. It will be jointly handled by Segbank and Volkskas Merchant Bank, and carries an all-in rate of 11.16 per cent on an average life of 18 years.

At 60 cents cash per share for the 33m Oudeemeester shares it does not own, Rembrandt is committed to an outlay of R20m and may also face outlays for its textiles division, I. L. Back.

A further cash requirement is likely from the Group's beer division. Intercontinental Breweries, an unlisted company

JOHANNESBURG, Sept. 27.

whose shares are being bought in at the same time as those of Oudeemeester and Intercontinental was imperative for the beer expansion strategy.

Speaking at the Rembrandt group's annual meeting in Stelliesbosch on September 1, Dr Anton Rupert told shareholders that Intercontinental, which is currently engaged in a R16m expansion scheme, is aiming for a rate of 11.26 per cent, which attracted R50m in subscriptions and was at the time the largest issue of its kind.

The coupon on the Rembrandt issue, 10 points below South African Breweries, confirms the continuing gradual decline of local interest rates. Money market sources believe that at least another R100m of private sector borrowings is in the pipeline and can be expected before the year end.

Small rise in Ansett profits

BY JAMES FORTH

ANSETT Transport Industries, the airline, transport, travel, television and manufacturing group, lifted group profit by 6.6 per cent from A\$17.3m to A\$18.5m (US\$12.1m) in 1977/78. The directors are cautious about the prospects for the current year. They expect that the rise in air prices arising from the Government's recent decision to increase domestic oil prices will have an adverse impact on air travel, which is one of the major areas of operations.

The dividend is held at 10 cents a share and is covered by earnings of 25.7 cents, compared with 24 cents in 1976/77. The group result does not include any earnings from its recently acquired Avis car rental group. The acquisition was disputed by the Trade Practices Commission and Ansett did not succeed with the takeover until after the end of the financial year on June 30.

The profit was earned on a 15.8 per cent increase in group sales, from A\$440m to A\$510m (US\$350m). Extraordinary profits totalled \$852,000. This was mainly attributable to foreign exchange gains of A\$312,000. In the previous year, Ansett incurred foreign exchange losses of A\$5.5m.

The directors said that there had been a continuing degree of uncertainty and hesitancy in a number of areas of operation during the past year. This had resulted in the achievement of little or none of the growth anticipated in these areas. One exception was air passenger traffic.

Close attention was paid during the year to the control of aircraft capacity and other operating costs in an effort to keep airline fare rises to a minimum, the directors added.

However, the group still had to increase prices by 6 per cent in July, and a further rise was now expected.

SYDNEY, Sept. 27.

The directors said that freight express activity reflected the downturn experienced by manufacturing industries. Trading conditions were difficult in this highly competitive industry, with continuing increases in operating costs. Price cutting in road freight rates was prevalent, they added.

The television stations in Melbourne and Brisbane reflected the slowing down of the rate of revenue growth in the television industry generally.

The group's insurance offshoot extended its worldwide insurance portfolio and contributed substantial profits, both from underwriting and from its investments.

Meanwhile City and Urban and Hutchinson have decided to release financial information which had been prepared for the merger discussions.

City and Urban directors forecast that profits after tax for the calendar year 1978 will be HK\$5.63m (US.\$1.52m), against HK\$4.6m last year.

Independent valuations of City and Urban Group Properties as at August 31 give rise to a surplus over book values of HK\$19.1m. Total net tangible assets of the group at that date, adjusted for the revaluations, amounted to HK\$56.7m or HK\$17.7 per share.

Hutchinson Properties said that profits of the group in the first eight months of this year were HK\$18.6m (US.\$5.9m).

The latest result is equivalent to earnings of 17.5 cents a share, compared with 27.6 cents in 1977/78.

Hanimex setback but payout up

BY OUR OWN CORRESPONDENT

HANIMEX Corporation, the international photographic and leisure group, suffered a 35.8 per cent slump in earnings from A\$4.68m to A\$3.1m (US.\$3.4m) in the year to June 30, but has raised its dividend from 8.5 cents to 7 cents a share. The directors cited a number of factors, including losses from consumer electronics activities in the U.S. and Australia, for the setback.

Group sales rose 4.4 per cent from A\$11.0m to A\$11.5m (US.\$13.3m). The directors said that the 1977 year included substantial sales and profit contributions on the part of export

Securities firms urge postponement of issue

BY OUR OWN CORRESPONDENT

SYDNEY, Sept. 27. LIFE SAVERS (Australia), the confectionery group, suffered a slight downturn in earnings for the year to June 30 despite a 27 per cent increase in group sales. The directors said there were a number of factors which constrained profit, of which the most significant was the very high cost of cocoa and chocolate.

Profit dipped 3.2 per cent, from A\$1.78m to A\$1.74m while sales rose from A\$30.5m to A\$33.5m. The directors have nevertheless raised the dividend from 14 cents a share to 15 cents. The result equalled earnings of 24.9 cents a share compared with 25.7 cents in the previous year.

The directors said high costs, the restrained level of consumer spending and intense competition narrowed the profit margins. The high prices for cocoa and chocolate also required a major increase in stocks.

There were more favourable indications in regard to the funds required for stock in the current year, but in a market as volatile as cocoa commodities firm predictions were difficult.

Investment in updating plant and facilities in the current year was planned.

SYDNEY, Sept. 27.

The directors added that stocks were reduced during the year by A\$4.5m. This was at a significant cost to the year's profit but would lead to improved efficiency and lower financial costs.

Trading conditions were still difficult and currency uncertainties remained but the board was confident that the problems identified were being overcome, and that active marketing plans now being implemented would assist the current year's performance.

The latest result is equivalent to earnings of 17.5 cents a share, compared with 27.6 cents in 1977/78.

Hong Kong utilities show gains

BY OUR OWN CORRESPONDENT HONG KONG, Sept. 27.

TWO PUBLICLY quoted Hong Kong power utilities have announced improved profits per cent increase in the interim period to 9 cents a share.

Hong Kong and China Gas Company, the monopoly supplier of town gas in the colony, increased pre-tax profits by 9 per cent to HK\$14.9m (US.\$1m) at the interim stage, and is paying a second interim dividend of 19 cents a share, as forecast.

At the same time, a group of clients of Kansai Sogo Bank have formed an anti-merger committee.

This announcement appears as a matter of record only July 14, 1978.

Property groups suspend talks

By Anthony Rowley

HONG KONG, Sept. 27. **HUTCHISON** Properties, part of the Hutchinson International group, and City and Urban Properties, a joint venture between the Hongkong and Whampoa Dock Company and Tai Cheung Properties, have suspended their merger talks. It was announced today.

Based on share prices at the suspension of trading on August 23, when talks were first announced, a combined group would have had a market capitalisation of about HK\$965m.

City and Urban said that Union Estate company (subsidiaries of Tai Cheung) had presented a petition to the Supreme Court here seeking either to wind up City and Urban or to compel Hutchinson Whampoa to purchase the 56.4m one-dollar shares in City and Urban held by Union Estate on behalf of Tai Cheung.

City and Urban said that it would oppose the petition and in the circumstances, the talks being held between the financial advisers to City and Urban and Hutchinson Properties had been suspended "pending clarification of the position." Both companies have asked the stock exchanges here to resume trading in their shares.

Four directors or alternate directors of City and Urban who are also directors of Tai Cheung—Chau Tak Tai, Lamson Kwok, David Pun, Chan and Tong Tin Sui—have resigned from the City and Urban board. Chan had also resigned from the board of Hutchinson Properties.

Meanwhile City and Urban and Hutchinson have decided to release financial information which had been prepared for the merger discussions.

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The latest result is equivalent to earnings of 17.5 cents a share, compared with 27.6 cents in 1977/78.

THE REPUBLIC OF KENYA

U.S. \$16,621,000

Project-Related Term Loan
For
Kenya Fibre Corporation Limited

BANK OF AMERICA, NEW YORK \$10,560,500

EXPORT-IMPORT BANK OF THE UNITED STATES \$6,060,500

Currency, Money and Gold Markets

Dollar shows no clear trend

The U.S. dollar recorded mixed fortunes in yesterday's foreign exchange market with trading largely influenced by the U.S. trade figures for August. Conditions in the morning saw the pound's trade-weighted index eased slightly to 62.6 from 62.7 on Tuesday, having stood at 62.7 at noon and 62.6 in early dealings.

NEW YORK—After opening slightly lower, the dollar was sharply firmer on the better than expected trade figures for August. The D-mark was quoted at DM 1.9450 compared with an opening level of DM 1.9365 and Tuesday's close of DM 1.9480, while the Swiss franc eased to SFr 1.4910 from an opening of SFr 1.4950 and Tuesday's close of SFr 1.4900.

FRANKFURT—The dollar was fixed at DM 1.9385 compared with Tuesday's fixing of DM 1.9336 previously. Trading ahead of the U.S. trade figures was nervous with some selling developing on expectations of a larger than July deficit. However, the improved trade figures prompted strong buying although these were shown later.

The dollar was quoted at DM 1.9500 shortly after the announcement before easing back to DM 1.9418.

AMSTERDAM—There does not appear to be any change of a devaluation in the Dutch guilder, according to a Government spokesman. The authorities have recently raised interest rates in an effort to support the guilder which has been languishing on or around its lowest permitted level against the Deutsche Mark within the European "snake."

BRUSSELS—The Belgian National Bank bought DM 10.4m at the fixing in an effort to boost the Deutsche Mark. The latter was fixed at BFr 1.5674 in terms of the Deutsche Mark, slightly above its floor level, although it did touch its lowest permitted point within the European "snake" after a day's fall of SFr 1.2070 compared with Tuesday's fixing of SFr 1.2090.

TOKYO—The dollar gained over the yen to close at Y182.55 compared with Y182.55 previously. Some demand may have been prompted by recent remarks over a projected narrower U.S. trade deficit for 1979 and a new export promotion policy.

Sterling opened at \$1.9855 and improved to \$1.9780-1.9790 and improved to \$1.9780-1.9790

EXCHANGE CROSS RATES

Sept. 27	Pound Sterling	U.S. Dollar	Deutsche Mark	Japanese Yen	French Franc	Swiss Franc	Dutch Guilder	Italian Lira	Canada Dollar	Belgian Franc
U.S. Dollar	0.507	1.791	5.925	575.0	8.955	2.948	4.152	1621	2.518	60.86
Deutsche Mark	0.261	0.510	1	97.98	2.247	0.772	0.967	455.9	0.626	15.79
Japanese Yen	2.681	0.583	10.26	1000	15.04	5.902	11.15	4547	8.514	161.7
French Franc	1.163	2.293	4.450	424.0	11.	3.629	4.837	1855	2.697	70.18
Dutch Guilder	0.361	0.674	0.920	97.72	2.067	0.708	1	390.0	0.558	14.30
Italian Lira	0.517	1.215	2.859	350.1	5.301	1.818	2.854	1000	1.480	37.18
Canadian Dollar	0.451	0.850	1.650	160.9	3.705	1.272	1.794	894.4	1.	20.01
Belgian Franc	1.658	3.268	6.643	616.5	16.858	6.650	6.650	5.644	5.644	100.00

EURO-CURRENCY INTEREST RATES*

Sept. 27	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian \$	Japanese Yen
Short term	9% - 10%	8% - 9%	8% - 9%	7.5	23.34	8% - 8%	12.13	50.90	31.41	100.00
12-18 months	12% - 13%	12% - 13%	12% - 13%	12% - 13%	28.51	12% - 12%	26.29	104.10	11.27	117.31
18-24 months	12% - 13%	12% - 13%	12% - 13%	12% - 13%	28.51	12% - 12%	26.27	104.10	11.27	117.31
Five months	12% - 13%	12% - 13%	12% - 13%	12% - 13%	28.51	12% - 12%	15.61	81.82	11.27	117.31
One year	12% - 13%	12% - 13%	12% - 13%	12% - 13%	28.51	12% - 12%	15.17	81.8		

The prospects for next year's local authority spending, and rates

BY MICHAEL COWAN

WITH the annual round of negotiations for November's spending in its final phase, the indications are that Government will use some of its contingency reserve to add

extra support grant settlement services such as recreation, baths and parks.

Government will use some of and trading losses.

Education, social services, police, and local transport finance are also bidding for higher guidelines to meet the industry and commerce.

Rate support grant, which next year of their present

the net cost of council services, is likely to be adjusted to limit

national average rate rises—10

per cent for householders and 5.5 per cent for

industry and commerce.

Due to the small but continuing shift of grant from the shire counties to the corporations, there are likely to be substantial local variations in average rate increases. According to January's Public Expenditure White Paper current spending by councils in England and Wales next year is due to rise by 1 per cent above this year, and capital expenditure is planned to increase by 2.6 per cent. However, figures calculated by the local authority financial advisers Government might allow an extra £200m for council spending next year, a figure which shows that the Government's current spending fall short of what the continuing cost of present policies by some £130m even if the Government agrees to an increase in the price of school meals next year of about 1.5p.

Two hundred million pounds

would make good the shortfall 2 per cent of expenditure. In city authorities, it is clear from spending urban districts within against present policies and their 1978-79 budgets councils the present state of the negotiations, with the result that, depending on the school meal planned to withdraw £530m from this process is likely all things being otherwise equal, to be continued next year. Mr. Shore can again be expected to raise bills in rural districts, for example, for the introduction next year of Mrs. Shirley Williams' educational £180m in excess of the cash grant with a view to securing fixed London's share of the main.

allow something. This was offset by price decision, something for a reduction in fix London's share of the main. According to some of the public's vision for inflation of about £50m, something for a reduction in domestic rate bills will be disadvantaged. Nevertheless, this plan could cost about £50m, something for a reduction in £50m in a full year. In originally budgeted expenditure and excess provision for inflation, it now seems likely that balances will be reduced during the year in £100m, in the settlement for a lower representing just under 7 per cent suggested. If he allows for only 7 per cent inflation, then the chances, therefore, are that there will be further net withdrawals from balances next year, though not large enough to affect the rate support grant.

On this basis a continuation of the present 61 per cent rate support grant would lead to average increases in general rate poundages on industry and commerce of 8 per cent next year, and of about 10 per cent on householders.

The actual increase in different localities will vary as a result of changes in the distribution of government grant.

At the end of March, councils were holding balances of about £1,300m—equivalent to a rate of nearly 20p in the £, or about

£100m for loan charges, revenue contributions to capital, and ratefund contributions to housing revenue accounts. This would give an overall total of £14,750m.

At the July Consultative Council meeting with local authority leaders, Mr. Peter Shore, Secretary for the Environment, canvassed the hypothetical possibility that the Government might allow an extra £200m for council spending next year, a figure which shows that the Government's current spending fall short of what the continuing cost of present policies by some £130m even if the Government agrees to an increase in the price of school meals next year of about 1.5p.

In 1978-79 the effect of changes in grant distribution and of other factors was to give average domestic rate bill increases of 26.28 in London, 27.95 in Wales, 29.36 in metropolitan districts, and £13.08 in the shire districts in England. For the shire counties there will be further complexities next year when Mr. Shore is expected to exercise his powers—so he has all but said he will—give non-metropolitan districts a share for the first time in the major "needs" element of rate support grant, which at present only goes to their county councils. Although heavily damped by councils of future inflation—which may not be the same as the Government's—and variations in balances.

Since the new grant arrangements were introduced in 1973 by Mr. Geoffrey Rippon it has been government policy to give to ease its introduction, the new district distribution will be biased towards the higher-

rate areas, and the lower-

Eastern promise, for ace professionals only

BY MICHAEL DIXON

PETER BARRETT was flabbergasted when interviewing in London lately to fill the financial controller's job in one of his group's 200 subsidiaries. Looking through the window, he saw the expected candidate draw up in a chauffeur-driven Rolls Royce.

Asked to expand on the sparse, though impressive details given in his job application, the opulent interviewee revealed that he was the financial director of one of the major companies in Britain. He was envably secure in this job, where his salary was about twice the sum Mr. Barrett was offered.

But the candidate was keen, even anxious, to be given the subsidiary financial controller's post.

The reason was that it was based on the quarterdeck of Hutchinson's motor launch, which was burling westward round the island in the searing sun of last Saturday afternoon.

"That chap had the sort of track record that you aren't privileged to see very often," Mr. Barrett added. "He really was a top-flight international executive's housing allowance.

manager. That's why I couldn't give him the job. It would have bored him stiff.

"But all the same, he was right to want it. At Hong Kong tax rates, working for only half his UK pay over the dozen years left before retirement, he could set himself up with far more capital than ever in the U.K."

Whereupon Peter Barrett produced one of his rare grins. He has been enjoying the same opportunity to build capital for nearly two years.

If he is like most Hong Kong executives, he receives an automatic bonus so that his nominal monthly salary comes rolling in, not 12, but 13 or 14 times a year. In addition, he will have an extra bonus tied to company results which, in good times such as the present, may well double his pay.

On all of that, he will pay tax at the maximum rate of 15 per cent.

But also, if he is like most of the expatriate managers who have gone from other countries to work in the colony, he will receive a bulky housing allowance.

In the official view of the Government of Hong Kong (where land and building costs are raising the roof all the time) so that the purchase price of a flat with decent room for three can now easily be £100,000," Mr. Barrett added. "He really

amount to 10 per cent of his total pay and bonuses.

The Government taxes the national benefit also at the 15 per cent rate, effectively raising the tax on the total earnings to 16.5 per cent.

But by reckoning the worth of the housing allowance at only 10 per cent of total earnings, the Government is being unusually generous to expatriates who, unlike the indigenous executives of Hong Kong, tend to be paid weighty sums towards their accommodation costs.

Significant

"The housing allowance usually seems to become more significant as you go up the pay scale," I was told by Keith Exall, the locally based managing director of the personnel and recruitment consultancy of Harris Graham and Partners.

"Take for example a fairly junior expatriate manager with a salary of just over £500 a month. He'll probably be given half as much again, or rather more, for housing.

"If the same chap is getting £1,000 monthly salary, he's likely to have at least £750 a month allowance. And when the monthly salary rises to £1,500, then the housing money could well be as much again as, or even higher than, the salary payment."

Other benefits for managers seem to vary with the employer.

But the colony's privately owned cars—among which

Graham's David Sree, "you'll be more assured of extras such as medical insurance, education allowances, fare-paid leave, and retirement benefits with an expatriate concern."

The Chinese tend to treat such things as discretionary. If you face fits, you'll do all right. If not, you'll be exposed to considerable financial risk should you or one of your family fall ill and so on."

Another benefit becoming more and more common as accommodation costs race upwards, is help in buying a home. There are no building societies as such in the colony, and banks will rarely lend more than three-quarters of the purchase price. Moreover, the loan will have to be repaid with interest at commercial rates (currently of 10 to 11 per cent) within certainly not more than 15 and sometimes as few as seven years.

So employers are now starting to offer schemes of aid, ranging from the loan of the necessary deposit and a contribution towards the interest, down to merely helping the employee to find someone willing to lend him the money.

Company cars are far rarer than they are in Britain and other countries of mountainous marginal taxation, tending to be limited to the very topmost managers.

"While, when they come here, Britons aren't supposed to stay more than six months,

Mercedes seem to be most a quick trip to Singapore or popular, and about one in every somewhere will clear them for 50 a Rolls—increasing by another six, and so on. We around 2,000 registrations know a number of cases now month in line with a current where, with skilled people in economic growth rate of perhaps 15 per cent.

The Chinese tend to treat such things as discretionary. If you face fits, you'll do all right. If not, you'll be exposed to considerable financial risk should you or one of your family fall ill and so on."

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Readers interested might care to chance a written inquiry to Harris Graham (1304 World Trade Centre, Hong Kong). But they should be warned that they are unlikely to receive even a reply unless they are consummately skilled professionals, both by training and experience. As Peter Barrett's chauffeur-driven candidate showed, the competition

among expatriate candidates is fierce.

"But unlike the other Asian countries, Hong Kong can still be the land of opportunity, especially for British people.

"Other benefits for managers seem to vary with the employer.

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Before people from other countries can obtain a three-year work permit, however, they must already have got a job advertisement in the South China Morning Post, and stayed."

Volatile

"Sure, professional managers and specialists coming to work here can do well for them. But the economy is being unusually volatile. The Chinese tend to treat such things as discretionary. If you face fits, you'll do all right. If not, you'll be exposed to considerable financial risk should you or one of your family fall ill and so on."

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Loan Officers

Expanding Consortium Bank

City

Our Client is a highly respected international merchant bank whose overseas activities include a developing presence in the Middle and Far East.

Two attractive openings have been created in London, each of which calls for a banker with a sound lending background to liaise between Head Office and the area branch. Responsibility primarily will be to advise each party on local conditions and to monitor business developed by the bank in these regions.

Candidates for both positions, probably in their late 20's/early 30's with a degree or professional qualification, will possess a good knowledge of lending including analysis and administration. In addition, one position will require fluency in Arabic, the other some first-hand experience of the Far East.

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Banking

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Due to its expanding business, INTERNATIONAL ENERGY BANK LIMITED wishes to appoint additional analysts.

The analysts will be expected to acquire and maintain an in-depth knowledge of developments (both economic and technical) within specified sectors of the energy industries. A significant level of contact with energy companies is envisaged and, accordingly, those appointed must be capable of representing the Bank and of identifying business opportunities.

The Bank is an active lender of Eurocurrencies and a knowledge of this market is desired. Candidates must also demonstrate the experience to undertake analysis of the Bank's existing and future lending relationships. Formal analysis training would be an advantage.

Interested candidates should write in confidence to David Patten, International Energy Bank Limited, Winchester House, 100 Old Broad Street, London, EC2M 1BE, giving full details of experience, current salary and salary requirement.

Chief Accountant

£9,500 p.a.

City

Our clients, an established and expanding firm of insurance brokers, wish to appoint a Chief Accountant to take charge of their financial affairs and strengthen the senior management team.

Reporting to the Managing Director, responsibility will be assumed for the co-ordination and control of mechanised financial reporting and underwriters accounts, foreign exchange transactions, credit control and, in conjunction with the Company Secretary, advising the Board on financial matters.

Applicants should be qualified Accountants, aged between 28 and 33, with a strong background in financial accounting and control. Previous experience of the insurance industry would be an advantage. Personality and presentation are important as the successful candidate will be expected to contribute to the firm's development.

This position, which provides an excellent career opportunity, includes a range of benefits including BUPA care and contributory pension.

Applications, from men and women, should give concise details of experience and present salary to M. Campbell.

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Consultants
55 New Oxford Street,
London WC1A 1BX

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An International Bank requires a mature banker who has a comprehensive knowledge of all aspects of banking and at least three years' experience of internal auditing. Overseas service with an international bank would be an asset. Age: over 40. Salary: up to £9,500 plus London Allowance.

Also international auditor required, aged around 25 with A.I.B. or university degree and four or five years banking experience. Must be willing to undertake a great deal of overseas travel.

Confirming Executive

Required by medium-sized city financial institution. The successful candidate will be fully conversant with documentary credits, bills for collection, ECGD, and will possibly have worked in an export finance house. Knowledge of Nigerian markets would be an asset.

Age: 25-35. Salary: around £65.00

These positions are open to male or female applicants

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Telephone 01-623 7317 & 01-623 9161

Recruitment Consultants

Credit Analyst

Commercial Credit is the U.K. Division of one of the world's leading financial service groups, and as such offers a wide range of financial services both to the consumer and industry. At our Croydon Head Office a new vacancy has been created, in our credit administration team, for a Credit Analyst.

Your responsibilities will include the development and analysis of financial information and the formulation of recommendations for major proposals. The creation of the position reflects our need to provide a rapid approval process in order to continually improve the service to our clients.

Aged in your 20s, male or female, you will have around two years experience in credit analysis within a British based finance house or banking operation.

As a young and expanding company we can offer a highly competitive salary and excellent benefits, plus excellent career growth prospects.

Telephone Kim Palmer for an application form on 01-686 3466, or write to her at, Commercial Credit Services Holdings Limited, Grosvenor House, 125 High Street, Croydon, Surrey CR9 1PU.

COMMERCIAL CREDIT SERVICES HOLDINGS LIMITED

£9,000

Finance Director (Public Co.)

Central London
Up to £12,500

The responsibility is for the accounting function of a nationally known retail group with a turnover in excess of £20 million.

The company maintains central accounting procedures and requires constructive financial information and guidance to line managers coupled with the timely preparation of management and financial accounts.

The job calls for a qualified accountant,

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Applications, which will be treated in strict confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to Dr. I. Bowers, quoting Ref. 740/FT on both envelope and letter.

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Management Consultants

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PRIVATE CLIENTS DEPARTMENT

We are seeking an additional Account Executive to join our UK non-discretionary private clients team.

The selected candidate will be given a considerable degree of autonomy after an initial settling-in period. High-quality investment research and computer back-up are provided.

Applicants must have passed, or be exempt from, The Stock Exchange examinations, have at least five years' relevant experience and preferably have a degree or other professional qualification.

Remuneration will be commensurate with experience, initiative and ability.

Please reply in writing to:

D. Schulten
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Winchester House
100 Old Broad Street
London EC2N 1BQ

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Salary to £12,000 plus Car
with exceptional benefit package

For the U.K. subsidiary of a \$1.5 billion U.S. multinational electronics and computer company engaged in the marketing, service and distribution of industrial and consumer goods. There is an outstanding growth record and turnover of the U.K. operation now exceeds £50 million.

The requirement is for a qualified accountant, over 30 years of age, with appropriate industrial or commercial experience.

Responsibility is to the Region Administration Manager for the operation and development of the financial and management accounting systems with particular emphasis on controlling service costs through a complex branch office network.

This is an outstanding opportunity to make a positive contribution to the young management team of this rapidly expanding company in the forefront of a high technology industry.

Please contact the Personnel Department on Wokingham 784774 or write for an application form and job description.

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Managers of investment trusts and other funds exceeding £400m. wish to recruit an assistant fund manager to assist a Director in portfolio management, and, in addition, collaborate in the analysis of company reports and the preparation of industry reviews.

The funds have a large overseas content and there will be opportunity to travel, a good salary will be within reach.

The successful applicant is likely to:-
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-be 25 plus years old.

Those interested should apply, giving full details of education and career to:

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Winchester House, 77 London Wall, London EC2N 1DQ

GROUP FINANCE MANAGER

Chloride Group Limited is the world's largest producer of rechargeable batteries, with operations in over 30 countries, annual sales in excess of £300 million and pre-tax profits of more than £25 million.

Applications are invited for the position of Group Finance Manager at the corporate headquarters in Victoria, SW1.

The man or woman appointed will report to the Executive Vice Chairman and be responsible for the Group Finance function, including Financial and Management Accounting, Treasury, Tax, Insurance & Risk Management, and Head Office Data Processing. The job holder will be involved in all aspects of financial planning and policy in a growth group.

The successful candidate will be a qualified accountant who will probably be aged about 40-45 and hold a senior finance appointment in a major international industrial group. Experience both at headquarters and in operating companies is desirable.

This is a career opportunity which offers considerable future potential, and could lead to an appointment to the Main Board of Chloride Group Limited in about three years' time.

Please write with details of career and salary to date to:

Miss D.M. Whittingham
Executive Resources Adviser
Chloride Group Limited
52 Grosvenor Gardens
London SW1W 0AU.

CHLORIDE

Thames Valley

£14,000

EUROPEAN AUDIT MANAGER

Digital Equipment, a U.S. corporation, is an industry leader in the mini-computer and distributed data processing fields. In Europe the corporation presently has 40 sales and service offices and 3 manufacturing facilities.

As a result of internal promotion there is a requirement for a European Audit Manager to be based at Reading. The man or woman appointed will plan and supervise the work of a small, well qualified team who are engaged in operational and financial auditing in 15 countries. In the early months considerable travel will be involved, both in the U.K. and abroad.

Candidates must be qualified accountants with experience at manager level in a major international firm of accountants or with a large industrial company. A working knowledge of French and/or German would be helpful, as would some experience of U.S. accounting practice. The position offers good opportunities to move into senior financial management posts in Europe or the U.S.A.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to E. H. Simpson, Executive Selection Division, ref. S755, at the address below. Please include a daytime telephone number at which you may be contacted.

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Management Consultants

Shelley House, Noble Street, London EC2V 4DQ.

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Ability to write clearly and handle figures.
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Write with full particulars to
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Salary, bonus and profit-sharing will depend on experience. Apply either in writing or by telephone to:

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PHILLIPS & DREW,
Lee House, London Wall, London EC2
01-628 4444.

CHEMICAL BANK INTERNATIONAL LIMITED

Merchant Banking Professionals New York Hong Kong

The Merchant Banking Group of Chemical Bank is expanding its business, particularly in international syndicated loans and capital market activities.

At senior level we seek:

Experienced banking and finance executives, particularly those who would be capable of and who would accept, relocation overseas to other units of the group.

Specifically for location in New York, fluency in Spanish and/or Portuguese is required as is either U.S. Citizenship or resident status. Previous business experience with Latin American countries will be an added advantage.

Also, to be based in London, Export Finance support staff familiar with ECGD documentation.

In each area the exact responsibilities and remuneration package are negotiable and will attract those already well established in these fields.

Detailed applications may be sent in confidence to: David E. Nye, Assistant Director and Secretary, Chemical Bank International Limited, 1 Union Court, Old Broad Street, London EC2N 1EA.

CHEMICAL BANK INTERNATIONAL LIMITED

BARCLAYS DEVELOPMENT CAPITAL LIMITED

DIRECTOR Development Capital

Barclays Development Capital Limited intends to appoint one or more Directors to the small team responsible for expanding its business in this sector. BDCL is a wholly-owned subsidiary of Barclays Merchant Bank Limited and has been set up to invest in companies engaged in a wide range of activities. BDCL's approach is based on a sound understanding of its clients' business needs and it draws upon the resources and experience of the Barclays Group in providing services.

Candidates must be able to demonstrate:

- a high level of financial expertise
- an educational and technical background which qualifies them to appraise business potential in significant industrial or commercial sectors
- experience of senior management in responsible capacities
- the personal qualities necessary to win the respect of the boards and employees of client companies.

Replies are invited from men and women who may currently be working in industrial management, a leading development capital concern, or a firm of management consultants.

The preferred age range is mid 30's to early 40's. The salary and other benefits offered will be attractive and competitive. Replies, enclosing full details of qualifications and experience and quoting reference DFT, will be forwarded to the firm of management consultants advising on these appointments. All replies will be treated in complete confidence.

JWT Recruitment Ltd.,
40 Berkeley Square, London W1X 6AD

Reed Executive

The Specialists in Executive and Management Selection

Financial Director Designate

North West

£10,500 + car + benefits

To be attracted to this outstanding career opportunity, you must be capable of controlling and totally directing the finance function of this manufacturing Company which has exceptional growth and profitability record. Naturally you will greatly contribute to effective management control and planned co-ordinated expansion, and be an important member of the young progressive team that directs the Company. Qualified Accountants with good management potential should possess a strong self disciplined personality and be capable of achieving the excellent career development that this Company offers. Re-location expenses are available if required.

Telephone 081-832 6651 (24 hr. service) quoting Ref. 2286/FT. Reed Executive Selection Limited, 15 Piccadilly, Manchester M1 1LT.

The above vacancy is open to both male and female candidates.

London Birmingham Manchester Leeds

SIMON & COATES Research

Simon & Coates are extending their service to institutions in the U.K. equity market and want to bring into the Research Department two additional senior analysts of the highest ability and reputation. One will have specialised in the financial sector and the other in consumer non-durables. Both must have built up good relations at senior level amongst institutional shareholders and company management and their work must merit a significant share of the institutional business in their sector.

The successful applicants will receive a remuneration package well into five figures and there are positive openings to partnership within a year or two.

The firm would also be glad to hear from younger analysts of high intellectual ability who have the potential to reach the above requirements.

Please reply to:

Michael Prag, Simon & Coates

1, London Wall Buildings, London EC2

Taxation Accountant

**LONDON
FROM £7,000 + CAR PLAN**

BL, the holding company for six companies primarily engaged in the automotive and related engineering industries, is seeking a qualified accountant to join one of the top taxation teams in British industry.

The job supports the Adviser responsible for our U.K. and overseas Cars operations. The main tasks include the preparation of tax computations, year end tax provisions and regular visits to our plants where we expect the successful applicant to quickly establish a professional working relationship with plant Finance Directors/Controllers.

Applicants, male or female, should be qualified accountants who have specialized in taxation for approximately two years. The salary will be negotiable, c£7,000 plus an attractive benefits package including five weeks annual holiday participation in the Management Car Scheme and relocation expenses where appropriate.

Applications providing full career details should be sent to: M. A. Stump, Corporate Staffs Personnel Administration, 174 Marylebone Road, London NW1 5AA.

BL Limited

James Capel & Co.

Mining Department

Australian Sector

We are seeking an executive with experience of the Australian market to join our Mining Department. Responsibilities include servicing our UK and Continental clients, mainly on Australian mining stocks, but a knowledge of the leading industrial companies would be an additional advantage.

This is a position which offers substantial scope for travel and for advancement within the firm.

Remuneration will be commensurate with experience, initiative and ability.

Applicants should send a brief curriculum vitae to:

D. Schulten

JAMES CAPEL & CO.

Winchester House

100 Old Broad Street

London EC2N 1BQ

INVESTMENT ANALYST

European Markets

VICKERS da COSTA LTD., Members of the Stock Exchange require an Assistant Investment Analyst for their European Dept.

Applicants (male or female) must have an Economics Degree or similar or hold a professional qualification.

An ability to read and speak German is essential. Salary according to age and experience.

Apply:- Personnel Manager,
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The Staff Partner

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SENIOR ANALYST

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He or she will be expected to maintain extensive contacts within the industries concerned and among financial institutions and will be given considerable freedom to exercise initiative. A competitive salary and incentive scheme participation will be paid and those who can meet our requirements should write, giving full details of experience, in confidence, to Box A.6489, Financial Times, 10, Cannon Street, EC4P 4BY. Firms to which the applicant does not wish his/her letter sent should be indicated on the covering envelope.

Banking

Senior Loans Officer

Leading International bank seeks a lending banker with substantial marketing experience, supplemented by a degree and strong personal qualities.

REF: NCP

Chief Dealer (Hong Kong)

An expanding U.S. bank seeks a senior F/X dealer, late 20's/early 30's, with 5 years' dealing experience, to control and develop the dealing activities of its Hong Kong branch.

REF: NCP

Accountant

A qualified Accountant, preferably with banking experience, is sought by an International bank to assume a key role in its Accounting Department.

REF: AJT

Credit Officer

International Merchant bank requires an experienced credit analyst/officer, 27-32, to join its Scandinavian team, where prospects for career development are considered excellent.

REF: AJT

Head of F/X Settlements

Well known Merchant bank seeks an experienced F/X administrator, 35-45, preferably A.I.B., to supervise all aspects of back-up to the Dealing Room operations.

REF: TOK

Loan/Securities Controller

A background in loans administration and collateral securities is essential for this stimulating position which involves liaison between marketing officers and the Loan Administration Department in an active International bank.

REF: TOK

Co. Administration

An Assistant Manager is required by a well-respected Jersey-based Trust Company. Candidates, 28-35, should have experience of company administration, ideally gained with a Merchant bank in the Channel Islands.

REF: TOK

For further details in confidence telephone 01-248 3812

NPA Recruitment Services Ltd

50 Cheapside, London EC2. Telephone 01-248 3812 345

M.D.-Designate London Buying Office

to negotiate the purchase of capital equipment and materials in the UK and Europe on behalf of the overseas parent organisation, which is engaged in the construction of power generation and distribution facilities and in the oil industry. Based in London, the successful candidate will head the present small staff responsible for the export shipping administration and the financial control of the contracts negotiated.

Candidates, preferably aged between 30 and 40, must have experience in this field including export financing procedures; fluency in a second language is desirable.

Salary about £12,000, car and other benefits are negotiable.

Please write - in confidence to J. M. Ward
ref B.41349.

MSL
International Management Consultants
Management Selection Limited
17 Stratton Street London W1X 6DB

Hire Purchase Manager

Kuala Lumpur, Malasia
approx. £11,000 after tax,
plus substantial benefits

A subsidiary of the Inchcape International trading group operating in Peninsular and East Malaysia and Brunei requires a Manager for its newly established H.P. Division. The operation generates new business of about £15m annually, with potential for expansion. Candidates should have a minimum of six years H.P. experience including policy and profit responsibility.

Additional benefits include discretionary bonus, education allowances and passages, free furnished accommodation, etc.

weeks annual home leave, company car, contributory pension scheme.

Please write by Friday, 6th October with full personal particulars and details of career to date to:

The Assistant Personnel Director,

INCHCAPE & CO. LIMITED,

40 St. Mary Axe,

London EC3A 8EU.

Inchcape

A leading international Investor in Shipping and Real Estate wishes to expand its Cross Trade shipping operations and requires a:

General Manager (Shipping)

To advise the Group Chief Executive on all aspects of Time Chartered vessels and their subsequent operation and at the same time supervise the management of the existing fleet currently under "charter". Knowledge of Ship Broking and expertise in the legal, financial, and insurance aspects of chartering are essential.

This is a unique opportunity with excellent further career prospects, for an exceptionally able man or woman who is willing to work closely with the Group Chief Executive, within the current organisation. The remuneration package which includes the usual benefits of an International Company is generous. The salary is negotiable for the right person. The company offices are at present in London but may be relocated in Europe within the next few years.

Applicants who match these requirements should contact me quoting MJ with a view to attending an early interview in London.

I Martin Gwinne

A INTERNATIONAL APPOINTMENTS (LONDON) LTD

(Executive Recruitment Consultants)

Telephone: 01-839 1602/4

Cables: Interapt, London



Drake Senior Appointments

a Division of Drake Personnel Limited

EUROPEAN TECHNICAL DIRECTOR - COSMETICS c. £11,000 + CAR

Our client, renowned world-wide for its outstanding success in creative marketing, new product development and innovative promotion, wish to appoint a Technical Director to make a major contribution to profitable development in Europe.

Reporting to the Vice-President, Research and Developments, you will have a practical working experience of European markets and will take a creative and innovative approach to component and production cost control and effectiveness, while maintaining the highest quality control standards of all products marketed in Europe.

This opportunity will attract an ambitious Executive with a successful track record in the cosmetics or pharmaceuticals industry. You will have appropriate qualifications in Chemistry or allied sciences, and experience of EEC legislation affecting the industry. You will be an effective communicator at all levels, and fluent in two European Languages, in addition to English. Experience of Scandinavian markets would be a distinct advantage.

Based at the company's headquarters near London, in addition to a top salary, you will receive other benefits befitting an industry leader.

Applications in confidence should be sent to:

R. G. Douglas, Ormond House, 63 Queen Victoria Street, London EC4 4UA. Telephone: 01-248 3233.

PROJECT APPRAISAL City £8,000 + Car + Bonus

Our client is a major quoted group with extensive worldwide interests.

The company has been through an important development phase and now plans to appoint an individual who will work closely with senior management implementing controls and disciplines and carrying out a series of specific projects. The latter will provide experience including budgeting procedures, currency exposure and fund control and will provide an excellent basis for a career in an international financial environment.

Candidates for this appointment will be qualified accountants probably in their mid-late twenties who have up to two years post-qualifying experience. They must have the ability to communicate effectively with other management disciplines and demonstrate both a self-motivated approach and the personal presence that will enable them to succeed in a demanding corporate environment.

For information concerning this appointment and a personal history form, contact Nigel V. Smith, A.C.A., quoting reference 2216.

Commercial/Industrial Division

Douglas Limberis Associates Ltd.
47/48 Queen Square, London WC1R 4BN. Tel: 01-338 9911
3, Victoria Street, London SW1H 0SF. Tel: 01-835 7244



FINANCIAL WEEKLY

This new national financial newspaper is being launched early in the New Year. It will be published by a subsidiary of Fleet Publishing International, the communications division of Trafalgar House, and will appear every Friday. It will have its own offices in central London.

Journalists

We are looking for journalists with experience in financial and business journalism. If you think you will enjoy the challenge of working for a lively new paper, we would like to hear from you.

Advertisement Staff

We also need experienced, enthusiastic advertisement salesmen with established City contacts.

All positions are open to applicants of either sex. Salaries, benefits and conditions will be competitive and will be discussed at interview. All letters will be treated in strictest confidence.

Please write to Andrew Rose, Managing Director, Fleet Financial Publishing Limited, Westgate House, 9 Holborn, London, EC1N 2NE.

Fleet Financial Publishing Limited

Account Management for International Arab Bank

London

Our client, a major Arab bank with its European headquarters in the City of London, is looking for men or women who are qualified bankers to fill key positions in its European marketing team.

You would be based in London and be responsible for developing the bank's business on the Continent, with emphasis on other financial institutions, multi-national corporations, and public sector organisations.

You should have at least five years' banking experience. Since the team you would join sells the services of the bank's Gulf-based headquarters, the greater part of this experience must have been spent working in or travelling to the Gulf or other parts of the Middle East.

Salary will be a minimum of £8,000 for the type of person we need, but outstanding qualifications and experience will, of course, be rewarded accordingly. In addition, you would enjoy the range of benefits you would expect from a major international banking organisation.

Please apply in the first instance to Andrew McLaren, Director, Universal McCann Limited, 18 Howland Street, London W1P 6JQ.

Universal McCann

MANAGING DIRECTOR FOR HIGHLY SUCCESSFUL IMPORTER OF TEXTILES

Should have experience of the far east and the ability to control many diverse activities in which the company engages: together with a capability to motivate its personnel in the regular absence of the company's principals in the far east.

The rewards will be high and the prospects considerable.

Write Box A6437, Financial Times, 10, Cannon Street, EC4P 4BY.

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If you are in the job market now - we are here to help. Coutts Careers provide:-
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01-839 2271

140 Grand Buildings
Trafalgar Square,
London WC2.

FINANCIAL CONTROLLER

28/40

MANCHESTER

£9/11,000 + CAR
AND OTHER BENEFITS

Owing to re-organisation and expansion a well-established group of fashion shops (T/o £5M+) now requires a Financial Controller for its Head Office in Manchester.

The successful candidate will assume overall control of the finance/accounting function and will report directly to the Managing Director. Duties include budgetary control, cash forecasting, stock control and the meaningful interpretation of monthly management information. In addition, he/she will liaise with buyers on "open to buy" contracts and will pursue an active role in the provision of advice to the Board regarding all financial matters including acquisitions, etc.

This important appointment requires an ambitious qualified accountant of exceptional calibre. Essential qualities include sound technical expertise, business flair, an ability to communicate at all levels and a proven career record.

The group offers a five-figure salary, a £6,000 car, BUPA, a non-contributory pension scheme and excellent long-term prospects.

For further information please contact:-



LAWRENCE BARNETT
ACCOUNTANCY SERVICE BUREAU

226 Dale Street, Liverpool L2 5SD.
051-236 9273 Ref: FT/172

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35 New Broad Street, London EC2M 1NH

Tel: 01-588 3588 or 01-588 3576

Telex No. 887374

CJ

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CJRA SYSTEMS MANAGER

SOUTHERN ENGLAND

INTERNATIONAL FINANCIAL GROUP WITH CORPORATE COMMITMENT TO NEW SYSTEMS

We invite applications from candidates, who are likely to be graduates or equivalent, with extensive experience in the design and implementation of large scale computer systems. The successful candidate will have had experience of liaison with user management at senior and Board levels and will take prime responsibility for a 50 man year project which is the mainstay of the Group's future development programmes. The systems will run under MVS on an IBM 370/158, using the latest database and telecommunications facilities and will be linked with word processing equipment. This is an opportunity for an innovative manager with a commercial approach and the ability to develop systems to a high degree of professionalism. Initial remuneration is negotiable circa £12,000 + car, other fringe benefits and assistance with removal expenses if necessary.

There are also opportunities for high-calibre Business Systems Analysts.

Applications in strict confidence under reference SM10607/FT will be forwarded unopened to our Client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH

CIRCA £12,000 + CAR

CORPORATE FINANCE EXECUTIVES Circa £7,500 p.a.

Barclays Merchant Bank is seeking additional executives for its expanding corporate finance division.

This is an opportunity for people aged 23-28 of high ability who wish to gain all round experience of corporate finance.

Early responsibility is given as a member of a team serving the needs of UK corporate clients.

Successful candidates will have a professional qualification in accountancy or law, with up to three years subsequent experience.

The salary for these positions shall be in the region of £7,500 p.a., and will depend on age and experience. There are many fringe benefits including a non-contributory pension scheme and a profit sharing scheme.

Please apply in writing, giving full details of qualifications and experience to:

C M Summersgill, Director,
Barclays Merchant Bank Limited,
Dashwood House,
69 Old Broad Street,
London EC2P 2EE.

Applications will be treated in complete confidence.

BARCLAYS

International Bank Auditor Chartered Accountants

As a major international bank with European headquarters in London, we have an extensive network of branches throughout the world. Our travelling audit staff are responsible for examination of financial activities, systems, procedures and internal control of the Corporation's operations. Based in London your work will involve short assignments to our European branches amounting to 50% overseas travel.

We are looking for a qualified accountant, with at least two years post qualification experience. As a part of your auditing experience, a knowledge of computer based systems would be a distinct advantage.

In addition to an attractive salary, fringe benefits include subsidised mortgages and personal loans, non-contributory pension scheme, and subsidised restaurant.

Please send detailed CV or telephone for an application form to:

The Personnel Department, Continental Illinois Corporation, Continental Bank House, 162 Queen Victoria Street, EC4. Tel: 01-236 7441.

CONTINENTAL BANK
Continental Illinois National Bank & Trust Co. of Chicago

SMITH KEEN CUTLER INVESTMENT ANALYST

Expansion of our research activity has created a vacancy in our Birmingham-based Research Department. Our sector coverage is mainly in engineering and motors. In addition we research and are brokers to a wide range of mainly Midlands-based companies offering scope for initiative in developing ideas in other sectors which would be encouraged.

We should like to hear from well qualified analysts with one to three years' relevant experience in the City or in industry. Salary and other benefits will be competitive.

Letters should be addressed to:

SKC

Research Partner:
Smith Keen Cutler
52 Cornhill,
London EC3V 3NE

EUROPEAN INSTITUTIONAL SALES

SPENCER THORNTON & CO.

We have a vacancy for an institutional salesman/woman who will market U.K. equities to our clients in Europe. We have a strong research base in certain well-defined industrial sectors and a good dealing capability. The position requires a person prepared to work closely with our present team and capable of developing existing client contacts whilst creating new ones. The successful candidate will be fluent in French and be expected to travel regularly.

Applications with full curriculum vitae, in writing only please to: J. K. Hoskin, Spencorn House, 22, Cousin Lane, London EC4R 3TE.

WE ARE A MAJOR GERMAN BANK. DUE TO OUR
RAPIDLY EXPANDING INTERNATIONAL ACTIVITIES
WE ARE SEEKING FOR OUR CORPORATE HEADQUARTERS
LOCATED IN FRANKFURT-MAIN A

REGIONAL MANAGER

who will be responsible for a number of industrialised countries in the Western Hemisphere.

His primary objective will be the management and development of our correspondent banking and corporate account relationships. This will include:

- ★ Establishing business objectives
- ★ Defining and implementing marketing and general banking strategies
- ★ Maintaining and enlarging our banking activities in his geographical area

The ideal candidate will have several years of business experience in International Banking and be capable of assuming further responsibilities. He should be between 30 and 40 years old, a university graduate or equivalent, fluent in German and English and preferably, but not necessarily, French.

Please forward your detailed résumé in English, including telephone number, to:

C.K.M. WERBUNG
6236 ESCHBORN 2
KOENIGSBERGER STRASSE 25
WEST GERMANY

Overseas Fund Manager/Analyst

Merchant Bank London 25/35

Our client is one of the leading forces in the investment scene. City-based, their wide portfolio is made up of pension funds, unit trusts, general funds etc and includes about £100m invested in overseas stocks.

They seek an additional Fund Manager/Analyst to help run this side of their business. The job will appeal to a man or woman aged 25/35 with a good grounding in finance and some 2-5 years experience of overseas investment. Preference will be given to those with Wall Street and Tokyo experience. Prospects are excellent.

The salary is negotiable and is in addition to normal banking benefits.

Please write with brief details to Colin Barry, Overton Shirley and Barry (Management Consultants), 17 Holywell Row, London EC2A 4JB. Tel: 01-247 8274.

Overton Shirley and Barry 

Young Chartered Accountant

New York

£24,000

Our client is a British oil company with a turnover in excess of £450m, which owns exploration, production, refining, shipping and marketing subsidiary companies in various parts of the world. Its activities comprise an integrated international oil business, the co-ordination of which is controlled from offices in a pleasant location just outside New York City.

An outstanding opportunity has now arisen for a young Chartered Accountant to join the Controller's small team where the initial involvement will be primarily in financial accounting and project work. Candidates aged between 24 and 30 must have a flexible attitude and the ability to communicate effectively at all levels. Excellent first hand experience of British, US and Canadian accounting principles can be acquired. Good prospects for future development within this international group will result in a rewarding career for the successful applicant. Relocation expenses will be paid in full and first class fringe benefits usually associated with a major company are provided.

Please reply in confidence giving concise personal and career details, quoting Ref. T887/FT to D. E. Sheldard:

AMS Arthur Young Management Services
Rolle House, 7, Rolle Buildings
Fetter Lane, London EC4A 1NL

Company Accountant

Stevenage
£8,000 - £9,500 p.a.+car

Ward Hill is a well established firm of Turf Accountants based in Stevenage with a developing business in the Home Counties. Due to recent growth, the company wishes to appoint a Company Accountant to assume responsibility for all financial aspects of the business. This position offers an excellent opportunity for someone seeking responsibility and an opportunity to contribute in a positive way to the continued prosperity of the organisation.

Candidates preferably qualified, should be in their 30's or 40's with a minimum of 3 years experience in industry.

An initial salary is negotiable in the range £8,000-9,500. In addition, the position offers a car plus other substantial benefits.

Please write in confidence with adequate career details to Diana Ashman, Personnel Services Division of:

Spicer and Pegler Management Consultants,
3 Bevis Marks
London EC3A 7HL

Financial Accountant

circa £8,000+car

Tricentrol wish to recruit a Financial Accountant for their recently formed UK commercial trading subsidiary, Tricentrol Industrial Corporation Limited. The appointment will be located at the company's City head office and arises because of increased demands being placed on the existing accounting staff. The subsidiary has a turnover in excess of £5.5m pa. The Financial Accountant will report to the Financial Controller and will be mainly concerned with the preparation and review of monthly management information, the year end consolidation of subsidiary company accounts and the consolidation of the annual budget figures.

Successful candidates will be qualified accountants, capable of acting on their own initiative and will probably be in their late twenties. The appointee will offer sound post qualifying accounting experience and preferably exposure to the use of EDP.

The position provides an opportunity for career development in a challenging and exciting environment. The commencing salary will be negotiated at circa £8,000 pa. A company car and non-contributory pension and medical schemes are provided. A generous contribution would be made towards removal expenses if the successful candidate had to move home to take up this appointment.

Candidates, male or female, can make application by quoting reference MCS/2026 and requesting a personal history form from Ashley S Phoenix, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

Price Waterhouse
Associates

Young Career Banker?

Property & Construction Finance

Our client is a major bank group with a significant involvement in property lending. The group intends to increase its property and construction finance business and wishes to recruit a young professional to take responsibility for developing this activity in the UK. The man or woman appointed will join a small team and will have considerable autonomy in meeting targets.

Candidates, preferably in their late 20's or early 30's, must have relevant banking experience and should be professionally qualified as a surveyor, accountant or solicitor. The ability to take responsibility and to contribute to an important part of the Bank's business is essential.

An exceptional candidate could be offered a five-figure salary.

Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. Ref. B.1036.

ASL CONFIDENTIAL RECRUITMENT 17 STRATTON STREET LONDON W1X 6DB

A member of MSL Group International

ACCOUNTS DEPARTMENT MANAGER

Age 27-34

£28,000

A mature, experienced person is required for this rapidly expanding, prestige Bank, to be responsible to the Chief Accountant. Close working knowledge of Computerised Accounts, M.I.S., Reconciliations, Cash Operations, Expenses and Accruals, F/X Settlements, and Bank of England Returns is essential.

We also wish to speak to a person with extensive exposure to Commodity Lending.

In the first instance, please telephone in confidence, Brian Durham.

LOANS ADMIN. ASSISTANT

Age 26-35

£7,500

Major International Bank seeks ambitious, resilient Banker with an in-depth knowledge of Loans Administration, to assist Head of expanding Loans Department. A good grasp of conversational German is essential.

Please telephone Mark Stevens

CREDIT ANALYST

Age c30

£7,500

Leading European Bank requires senior Analyst with comprehensive experience in multi-currency Corporate Lending environment, to join an expanding team in a responsible capacity.

Please telephone Nell Keane

If you are seeking to further your career in Banking, our Consultants would be only too pleased to discuss your requirements.

BANKING PERSONNEL
41/42 London Wall, London EC2C Telephone: 01-588 0781
(RECRUITMENT CONSULTANTS)

LOAN ADMINISTRATION

As a result of continuing expansion, we are looking for fully experienced personnel, probably in their mid 20's, to join a technically demanding department in a most important area of the Bank's operations. Your knowledge should have been gained in an international banking environment. This Department also assumes responsibility for the administration of guarantees and the Bank's leasing operations. Previous knowledge of these two activities, while useful, is not essential. A very attractive salary will be negotiated and there are excellent fringe benefits including free lunches.

Please contact Chris Taylor, Personnel Officer, Saudi International Bank, 99 Bishopsgate, London EC2M 3TB. 01-638 2323.

البنك السعودي العالمي المحدود

Saudi International Bank
AL-BANK AL-SAUDI AL-ALAMI LIMITED

ACCOUNTANT

Required for recently opened International Bank, with at least 7 years experience in the banking field. Salary is negotiable. Age range 25-30. Usual fringe benefits will apply.

Kindly contact

Mr. Christie 01-628 0365

SAUDI ARABIA

£25,000 net

ADMINISTRATION MANAGER

Energetic young man (25-35) required by an owned Canadian company, part of a large group. Full time administration experience especially in computerisation handling.

GEORGE CALABY ASSOCIATES

Woking (0482) 66919/71079 or 01-404 5011

Write Box T.495b, Financial Times, 10, Cannon Street, EC4P 4BY.

MERCHANT BANKING

Chartered Accountant, Honours graduate, aged 26, seeks challenging corporate finance post.

Write Box A.6491, Financial Times, 10, Cannon Street, EC4P 4BY.

TOP BUSINESSMAN AVAILABLE FOR COMPANY TURNAROUND OR RESTRUCTURING

Previous record of success. Excellent references. Write in confidence for preliminary interview.

Write Box A.6492, Financial Times, 10, Cannon Street, EC4P 4BY.

ATHENS BORN ENGLISH

Professionally qualified Lawyer/Individual Engineer, aged 32, with right to practice in the U.S.A. and U.K. in law and industrial finance experience here and 1 year with French International bank credit analysis/contract, seeks post.

Ambitious and opportunity more important than initial salary.

Write Box A.6493, Financial Times, 10, Cannon Street, EC4P 4BY.

INTERNATIONAL CORPORATION seeks international division major clearing bank, recently retired, seeks appointment as E.C. adviser or in other capacity on full-time part-time basis.

Write Box A.6494, Financial Times, 10, Cannon Street, EC4P 4BY.

SENIOR EXECUTIVE

International division major clearing bank, recently retired, seeks appointment as E.C. adviser or in other capacity on full-time part-time basis.

Write Box A.6495, Financial Times, 10, Cannon Street, EC4P 4BY.

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Geben Sie Ihre Bewerbung mit aussagefähigen Unterlagen an:

Mr. Garwood L. Platt, The First National Bank of Boston, Zweigniederlassung Frankfurt, Mainzer Landstrasse 43-45, 6000 Frankfurt am Main 1.

oder informieren Sie sich zuerst telefonisch unter der Rufnummer 0611-2603211/212 (Mr. Platt).

MURRAY JOHNSTONE LIMITED

Investment Managers of International Funds in excess of £400 million. We are looking for people to join our management team, preferably with some legal, accountancy or investment experience, in the 24-28 age range.

Apply in confidence in writing or by telephone to:

Robert Stephens

MURRAY JOHNSTONE LIMITED

163 Hope Street, Glasgow G2 2UH

Tel: 041-221 5521

Sheffield Group of Steel Manufacturers and Engineers FINANCIAL DIRECTOR

A progressive and expanding company

with sales in excess of £20m.

Applications are invited from suitably qualified executives. Preferred age 35-45. The applicant will have substantial production and financial management experience gained preferably in an engineering environment. A manager and lively approach with an ability to motivate people is essential. The successful applicant will assume responsibility at Board level for all the group financial functions.

It is expected that the person appointed will be commensurate with experience and qualifications—company car and usual benefits.

Brief but comprehensive details of career and salary to date, which will be treated in the strictest confidence to:

PARNELL, FITZPATRICK & CO.
Ref. FD 73 Chartered Accountants
Kingsmead House, 4 Marlborough Road,
Sheffield S3 3QE

UNIVERSITY OF STERLING SECOND CHAIR IN ACCOUNTANCY

Applicants are sought from suitably qualified candidates for a second Chair in Accountancy in the Department of Economics and Business Law (present Head of Department, Professor J. M. S. Kirk).

It is expected that the person appointed will have a special interest in one or more of the following fields: financial accounting (including corporate accountancy, auditing, taxation, finance and investment); management accounting; financial management; corporate planning; international accounting; public sector accounting.

It is hoped that the successful applicant will be in post on or before 1 September 1979 as the latest.

Further particulars are available from the University Secretary (PT). Applications should be sent to the University of Sterling, School PK9 4LA, Scotland, to whom applications should be sent before 31 October 1978.

LONDON MARKET INSURANCE COY. ACCOUNTANT/ADMINISTRATOR

AGE 30+ SALARY UP TO £12,000 p.a.

Fir class cover opening as the top of a new branch of a large and highly rated European Insurance Company in London. The ideal applicant will probably be qualified and aged 30 to 40. He/she must have experience in all aspects of insurance financial and administrative control. D.O.T.s, returns, credit control, cash flow, setting up computer systems with outside bureaux, etc.

Tell immediately—Tim Weeks or Andrew Moore A.C.I.I., Personnel Department, Corn Exchange Building, 32-37 Mark Lane, EC3R 7QD. Tel: 01-481 1566

ALANGATE BANK APPOINTMENTS

F.X. DEALER—Age 29/30. U.S. Bank Experience in Canadian & U.S. Dollars. c. £8,000.

F.X. SETTLEMENTS & INSTRUCTIONS—Age 21+, £3,800-£4,500.

DOC. CREDITS—Age 21/25. £3,800-£4,000.

ASST. TO CHIEF ACCOUNTANT—Age 22/28. £4,000-£4,500.

BANK ACCOUNTANT/OFFICE ADMIN—Age 3

AUTHORISED UNIT TRUSTS

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Hambro Ltd., Mgmt. Ltd. (a)									
Hambro Rd., Aylesbury, HP20 9AP									
Capital	£66.7	38.4	-	7.7	6.5	American	£15.6	54.6	Minster Fund Managers Ltd.
Income	15.2	45.3	-	7.7	5.65	Capital	£14.0	150.0	Hambro Hse., Arthur St., EC4
Int'l. Tst.	10.8	21.2	-	7.7	15.65	Income Tst.	£11.2	127.4	Winter Sept. 19, 1979, 41.5
Prop. Tst.	38.3	57.8	-	7.7	12.5	Int'l. Growth Fd.	£12.8	134.0	Entered Aug. 10, 1979, 100.7
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Int'l. Accr.	£13.0	132.2	M.L.A. Unit Trust Mgmt. Ltd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Int'l. Accr.	£13.0	132.2	Old Queen Street, SW1H 9BL
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Int'l. Accr.	£13.0	132.2	M.L.A. Unit
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	—
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Provincial Life Inv. Co.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	222, 223, 224, 225, 226, 227
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Profit Unit
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	High Income
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	126.2
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Prudl. Portfolio Mgrs.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Hulme Reg. Bldg., EC1V 2NQ
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Prudl. Portfolio
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Neat sub. day Oct. 2
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Reliance Unit Mgrs. Ltd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Reliance Hse., Tunbridge Wells
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Oppenheim Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Selkirk T. Inv.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Selkirk T. Inv.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Ridgefield Management
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	24-40, Kenndy St., Monhegan
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Ridgefield Int. LT
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Ridgefield Income
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Rothschild Asset Man.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	72-80 Gatehouse Rd., Aylesbury
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	M. Equity Fund
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Easy Rec. T
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Income Fund
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	U.S. Full. Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	U.S. Inst. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Small Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Rothschild & Lowades
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	St. Swithin Lane, Edin., F.R.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	New CT Except
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Prices on September 15, Near dealing
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National Provident Inv. Mgmt. Ltd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	101-022430
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	N.P.L. Unit
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	N.P.L. Unit
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National and Commercial
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	131, St. Andrew Square, Edinburgh EH3 9LJ 0131 91.01
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Income Sept. 20, 1979, 176.8
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Accru. Units
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	228.2
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Virtual High Yield
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	63.4
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Accru. Units
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National Westminster
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	101, Cheshire St., EC1V 3RH 01-006 4000
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Capital Accru. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Extra Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Financial
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Growth Inv.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Portfolio Inv. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Universal Fd. (fd.)
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National Westminster (a)
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	101, Cheapside, EC2V 6DU 01-006 4000
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Capital Accru. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Extra Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Financial
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Growth Inv.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Portfolio Inv. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Universal Fd. (fd.)
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National Westminster
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	101, Cheapside, EC2V 6DU 01-006 4000
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Capital Accru. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Extra Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Financial
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Growth Inv.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Portfolio Inv. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Universal Fd. (fd.)
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National Westminster
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	101, Cheapside, EC2V 6DU 01-006 4000
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Capital Accru. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Extra Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Financial
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Growth Inv.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Portfolio Inv. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Universal Fd. (fd.)
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National Westminster
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	101, Cheapside, EC2V 6DU 01-006 4000
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Capital Accru. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Extra Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Financial
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Growth Inv.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Portfolio Inv. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Universal Fd. (fd.)
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	National Westminster
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	101, Cheapside, EC2V 6DU 01-006 4000
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Capital Accru. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Extra Inv. Fd.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Financial
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Growth Inv.
Int'l. Tst.	24.7	71.0	-	7.7	10.5	Friends' Friend. Unit Tr. Mgmt. V	—	—	Portfolio Inv. Fd.
Int'l. Tst.	38.3	57.8	-	7.7	10.5	Friends' Friend. Unit Tr. M			

CORAL INDEX: Close 505-510

INSURANCE BASE RATES

Property Growth 104%
Bank Gauranteed 9.37%

Address shown under Insurance and Property Bond Table.

OFFSHORE AND OVERSEAS FUNDS

The above price is based on cover price + insurance + 10-day delivery price + Distribution free of UK taxes + Periodic premium insurance plus a Single sum insurance + Other, price includes all expenses except agent's commission, red price includes all expenses if bought through a manager + Previous day's rate of tax on realised capital gains unless indicated by a \dagger or \ddagger . Guernsey gross + Suspended. + Yield before Jersey tax. + Ex-subsidy.

Financial Times Thursday September 28 1978

INDUSTRIALS—Continued

INSURANCE—Continued

PROPERTY—Continued

PROPRIETY—Continued

INV. TRUSTS—Continued

FINANCE, LAND—Continued



MINES—Continued

CENTRAL AFRICAN

	High Low	Stock	Price	or + or -	No.	Ctr. G.P.	PE
122	1.02	Horn Ind. 10p	1.02	-	92	92	1.6
41	1.29	Inter-City 20p	1.29	-	82	82	1.6
45	1.05	Jameson John	1.05	-	61	61	1.6
46	1.05	Jones Mules 20p	1.05	-	102	102	1.6
47	1.05	Kestrel 10p	1.05	-	101	101	1.6
48	1.05	Leisure 20p	1.05	-	22	22	1.6
49	1.05	Lester's 10p	1.05	-	101	101	1.6
50	1.05	Lobster & Prawn	1.05	-	22	22	1.6
51	1.05	London Tires 10p	1.05	-	95	95	1.6
52	1.05	Loftus 10p	1.05	-	11	11	1.6
53	1.05	London Tires 10p	1.05	-	11	11	1.6
54	1.05	London Tires 10p	1.05	-	11	11	1.6
55	1.05	London Tires 10p	1.05	-	11	11	1.6
56	1.05	London Tires 10p	1.05	-	11	11	1.6
57	1.05	London Tires 10p	1.05	-	11	11	1.6
58	1.05	London Tires 10p	1.05	-	11	11	1.6
59	1.05	London Tires 10p	1.05	-	11	11	1.6
60	1.05	London Tires 10p	1.05	-	11	11	1.6
61	1.05	London Tires 10p	1.05	-	11	11	1.6
62	1.05	London Tires 10p	1.05	-	11	11	1.6
63	1.05	London Tires 10p	1.05	-	11	11	1.6
64	1.05	London Tires 10p	1.05	-	11	11	1.6
65	1.05	London Tires 10p	1.05	-	11	11	1.6
66	1.05	London Tires 10p	1.05	-	11	11	1.6
67	1.05	London Tires 10p	1.05	-	11	11	1.6
68	1.05	London Tires 10p	1.05	-	11	11	1.6
69	1.05	London Tires 10p	1.05	-	11	11	1.6
70	1.05	London Tires 10p	1.05	-	11	11	1.6
71	1.05	London Tires 10p	1.05	-	11	11	1.6
72	1.05	London Tires 10p	1.05	-	11	11	1.6
73	1.05	London Tires 10p	1.05	-	11	11	1.6
74	1.05	London Tires 10p	1.05	-	11	11	1.6
75	1.05	London Tires 10p	1.05	-	11	11	1.6
76	1.05	London Tires 10p	1.05	-	11	11	1.6
77	1.05	London Tires 10p	1.05	-	11	11	1.6
78	1.05	London Tires 10p	1.05	-	11	11	1.6
79	1.05	London Tires 10p	1.05	-	11	11	1.6
80	1.05	London Tires 10p	1.05	-	11	11	1.6
81	1.05	London Tires 10p	1.05	-	11	11	1.6
82	1.05	London Tires 10p	1.05	-	11	11	1.6
83	1.05	London Tires 10p	1.05	-	11	11	1.6
84	1.05	London Tires 10p	1.05	-	11	11	1.6
85	1.05	London Tires 10p	1.05	-	11	11	1.6
86	1.05	London Tires 10p	1.05	-	11	11	1.6
87	1.05	London Tires 10p	1.05	-	11	11	1.6
88	1.05	London Tires 10p	1.05	-	11	11	1.6
89	1.05	London Tires 10p	1.05	-	11	11	1.6
90	1.05	London Tires 10p	1.05	-	11	11	1.6
91	1.05	London Tires 10p	1.05	-	11	11	1.6
92	1.05	London Tires 10p	1.05	-	11	11	1.6
93	1.05	London Tires 10p	1.05	-	11	11	1.6
94	1.05	London Tires 10p	1.05	-	11	11	1.6
95	1.05	London Tires 10p	1.05	-	11	11	1.6
96	1.05	London Tires 10p	1.05	-	11	11	1.6
97	1.05	London Tires 10p	1.05	-	11	11	1.6
98	1.05	London Tires 10p	1.05	-	11	11	1.6
99	1.05	London Tires 10p	1.05	-	11	11	1.6
100	1.05	London Tires 10p	1.05	-	11	11	1.6
101	1.05	London Tires 10p	1.05	-	11	11	1.6
102	1.05	London Tires 10p	1.05	-	11	11	1.6
103	1.05	London Tires 10p	1.05	-	11	11	1.6
104	1.05	London Tires 10p	1.05	-	11	11	1.6
105	1.05	London Tires 10p	1.05	-	11	11	1.6
106	1.05	London Tires 10p	1.05	-	11	11	1.6
107	1.05	London Tires 10p	1.05	-	11	11	1.6
108	1.05	London Tires 10p	1.05	-	11	11	1.6
109	1.05	London Tires 10p	1.05	-	11	11	1.6
110	1.05	London Tires 10p	1.05	-	11	11	1.6
111	1.05	London Tires 10p	1.05	-	11	11	1.6
112	1.05	London Tires 10p	1.05	-	11	11	1.6
113	1.05	London Tires 10p	1.05	-	11	11	1.6
114	1.05	London Tires 10p	1.05	-	11	11	1.6
115	1.05	London Tires 10p	1.05	-	11	11	1.6
116	1.05	London Tires 10p	1.05	-	11	11	1.6
117	1.05	London Tires 10p	1.05	-	11	11	1.6
118	1.05	London Tires 10p	1.05	-	11	11	1.6
119	1.05	London Tires 10p	1.05	-	11	11	1.6
120	1.05	London Tires 10p	1.05	-	11	11	1.6
121	1.05	London Tires 10p	1.05	-	11	11	1.6
122	1.05	London Tires 10p	1.05	-	11	11	1.6
123	1.05	London Tires 10p	1.05	-	11	11	1.6
124	1.05	London Tires 10p	1.05	-	11	11	1.6
125	1.05	London Tires 10p	1.05	-	11	11	1.6
126	1.05	London Tires 10p	1.05	-	11	11	1.6
127	1.05	London Tires 10p	1.05	-	11	11	1.6
128	1.05	London Tires 10p	1.05	-	11	11	1.6
129	1.05	London Tires 10p	1.05	-	11	11	1.6
130	1.05	London Tires 10p	1.05	-	11	11	1.6
131	1.05	London Tires 10p	1.05	-	11	11	1.6
132	1.05	London Tires 10p	1.05	-	11	11	1.6
133	1.05	London Tires 10p	1.05	-	11	11	1.6
134	1.05	London Tires 10p	1.05	-	11	11	1.6
135	1.05	London Tires 10p	1.05	-	11	11	1.6
136	1.05	London Tires 10p	1.05	-	11	11	1.6
137	1.05	London Tires 10p	1.05	-	11	11	1.6
138	1.05	London Tires 10p	1.05	-	11	11	1.6
139	1.05	London Tires 10p	1.05	-	11	11	1.6
140	1.05	London Tires 10p	1.05	-	11	11	1.6
141	1.05	London Tires 10p	1.05	-	11	11	1.6
142	1.05	London Tires 10p	1.05	-	11	11	1.6
143	1.05	London Tires 10p	1.05	-	11	11	1.6
144	1.05	London Tires 10p	1.05	-	11	11	1.



Thursday September 28 1978



Rhodesia round-table invitations 'soon'

BY OUR FOREIGN STAFF

DR. DAVID OWEN Foreign Secretary, said yesterday that he hoped soon to be able to issue invitations to an all-party conference on Rhodesia. He also proposed a standby arrangement that would allow British troops to call for UN peacekeeping duty at a week's notice, although he did not link the troops offer directly to the Rhodesia situation.

Speaking at the UN General Assembly in New York, Dr. Owen gave no concrete evidence that he has overcome the major difficulties which have blocked the convening of an all-party conference for many months.

Affirming the British Government's commitment to the concept of peace-keeping by the United Nations, the Foreign Secretary said that, subject to international commitments and exigencies, Britain would make available an infantry battalion or a Royal Marine commando group for up to six months at a week's notice.

Warning

Britain would airlift the force and its equipment to the area of operations and consider sympathetically other forms of military assistance.

If a Rhodesia settlement involving all the parties could be reached, he hoped the Security Council would establish a UN force for duty in that country, he said. It is conceivable, therefore, that Britain might be asked to send a military contingent to Rhodesia under the UN flag.

He said preparations for round-table talks on Rhodesia were being made, adding: "I hope we can in the near future, issue invitations to all the parties to come to negotiate a final

settlement for an independent settlement in the Camp David undertaking." While there was still great uncertainty, the complex texts adopted by Egypt and Israel could be used to further progress towards the necessary settlement, he said.

Richard Evans adds: The Cabinet is expected to reach a decision today on the type of inquiry to be set up to investigate the breaching of Rhodesian sanctions disclosed in the Bingham Report.

Ministers had an extended discussion on the issue last week and reached a decision in principle to set up a further inquiry to answer some of the questions posed by the Bingham revelations.

Pressure

But the form of inquiry to be adopted is causing continuing difficulties, as a public tribunal of inquiry would make it impossible to bring charges at a later date.

The Prime Minister will want the Cabinet to reach a conclusion today if possible, in order to make the Government's position clear before the Labour Party meets in Blackpool tomorrow.

There is growing pressure within the party for a conference statement on the breaching of sanctions and the role played by oil companies.

Mr. David Steel, Liberal leader, was briefed on the Rhodesian situation and the Government's attitude to Bingham by the Prime Minister yesterday at an hour-long meeting at Downing Street, arranged at Mr. Steel's request.

Editorial comment, Page 22

Printing companies fund to fight pay demand

BY PAULINE CLARK, LABOUR STAFF

MORE THAN 3,000 British printing companies are setting up a special fund to defend themselves against industrial action by printers who are demanding more pay for operating new machinery.

The British Printing Industries Federation explained in letters to its members yesterday that a special levy was needed to provide financial support for companies where members of the National Graphical Association are acting on a union instruction to black new machinery.

The action arises from the latest move by the union to fight Government pay policy on a local rather than national level. It adopted a similar policy last year in its fight against the Gov-

ernment and the TUC over the 12-month rule between pay settlements and claimed that several hundred members had achieved pay rises on top of their April, 1976 Phase Two pay supplement.

Printers employed by federation companies received a 10 per cent increase last April on two long-standing agreements. For extra pay for operating new machinery as well as the 10 per cent on basic rates.

But according to Mr. Joe Wade, general secretary of the NGA, the agreements have "expired" and the federation has failed to renegotiate either of them to take account of the extra skills needed for modern machinery.

Several hundred members had achieved pay rises on top of their April, 1976 Phase Two pay supplement.

The federation said yesterday that if current union sanctions were lifted, it would be prepared to enter into fresh negotiations on the issue but the union, which has declared its opposition to Government pay policy, has rejected the proviso that any re-vived agreement would be put into effect only when allowed by the Employment Minister.

In the meantime the federation has told its members to abide by the national agreement and make no extra payments.

Weather

UK TODAY
RAIN IN MOST AREAS.
London, E Anglia, E SE, Cent S and N England, Midlands

Rain, Max. 18C (61F).
Channel Is., SW England, Wales

Rain at first, soon clearing, Max. 18C (61F).

NW England, Lakes, Is. of Man, SW Scotland, Glasgow, Argyll, N Ireland

Rain at times, Max. 14C (57F).

NE England, Borders, Edinburgh, Dundee, Aberdeen, NW, NE Scotland, Highlands, Moray Firth

Dry at first, rain later. Max. 15C (59F).

Orkney, Shetland

Mostly dry, some rain later. Max. 14C (57F).

Outlook: Cold with rain in most areas.

Continued from Page 1

British Airways

Customer demand for cheap flight (£59.50, down from £89), (Munich £70, down from £104) and in Berlin for £75 against the present £110.

The same type of ticket between Birmingham and Dusseldorf will cost £59, a drop of 34 per cent. The airline also announced a new service between Birmingham and Frankfurt at a weekend return fare of £70.

Weekend return flights from Manchester to Dusseldorf will cost £59.50, Frankfurt £71 and Berlin £118.

The reductions of the daily off return flight between London and Paris, Amsterdam and Brussels give new fares of £47, £49 and £49.50.

The new advanced purchase return fare between London and Helsinki (£125 compares with the present excursion fare of £193 and £208 for the normal economy return fare.

The scheme will also apply to flights from London to Bremen (£82.50, a cut of 31 per cent), Frankfurt (£54.50 compared with £79.50), Hamburg and Hanover (£88.50, down from £88), Stuttgart

and Berlin (£118).

The report supports the view that accounting standards should narrow the choice of treatment to "make financial statements reasonably comparable."

But it also emphasises that material departures from a statement of standard accounting practice should still be permitted in exceptional circumstances, primarily where adherence to a standard accounting practice would fail to give a "true and fair view."

Foremost among the committee's recommendations is its enforcement of statements of standard accounting practice.

Rejecting the alternative of supervision by a Government

agency (as in the U.S.) the report suggests that the possibility of the Stock Exchange or the new Council for the Securities Industry taking a more active role in enforcement "should be explored."

Mr. Tom Wats, the committee chairman, yesterday said: "The basic conflict in financial reporting between an understandable desire for mathematical certainty and the need for less precise but often equally useful information."

The report supports the view that accounting standards should be developed, it says.

The committee does not envisage immediate implementation of any of its suggestions since the report is intended to form the basis for full public debate over the next few months.

No major changes are likely to take place for at least a year.

Foremost among the committee's recommendations is its enforcement of statements of standard accounting practice.

Rejecting the alternative of supervision by a Government

that such statements should apply to all companies whose financial statements are designed to give a "true and fair view"—not just enterprises of a particular size or type.

Supplementary standards for individual industries should also be developed, it says.

Turning to its own composition and standard-setting process, the committee concludes that "broadly speaking, the existing structure should be kept, although supplemented by wider consultation and more openness."

The report does, however, put forward various alternatives to the present accounting standards committee, such as a committee which is more user-oriented, an accounting standards board (a merged ASC and a smaller consultative group) and an advisory committee with, for example,

representatives from both sides of industry.

The report finally calls for more money to be provided for

Vauxhall unions reject offer but agree to talks

BY ALAN PIKE AND ARTHUR SMITH

UNION NEGOTIATORS representing 26,000 Vauxhall manual workers last night rejected a pay offer from the company. But they are prepared to continue negotiations and a meeting has been fixed for next week.

The key test will come this morning when leading shop stewards report back to mass meetings of workers on the details of the company's offer, which it refused to disclose last night.

There have been suggestions that the Vauxhall men might follow Ford workers in immediately unofficial strike action if the company rejects their claim for increases above the Government's 5 per cent guidelines.

The Ford strikers will today try to tighten the grip of their action by halting the import through Hull of cars built in Germany and Belgium.

More than 150 Continental-built Ford's reach the British market through Hull each day. Dockers' shop stewards at the port will consider a request to block the company's imports at a meeting tonight.

Yesterday, dock shop stewards at Liverpool unanimously agreed to block Ford products, although this is not an important port for the company.

Mr. Jack Whymar, chairman of the Vauxhall unions' negotiating committee, said after the eight-hour meeting: "As far as we are concerned we are continuing with negotiations. That is our position."

No recommendations would be made to the mass meetings. Only these workers could determine the strength of feeling of the membership and whether they were prepared to leave it to the negotiating committee.

Mr. Geoffrey Moore, personnel director, refused to be drawn on the company's attitude to the Government pay guidelines. He insisted that the primary consideration for Vauxhall was the company's profit performance.

Trading results had not been satisfactory in recent years. "We have pulled ourselves back from the horrific loss of four years ago and we are trying very

SIR TERENCE BECKETT

hard to get back into a strengthened position."

Sir Terence Beckett, chairman of Ford, yesterday attacked the Amalgamated Union of Engineering Workers for making the strike official when the existing "solemnly binding" agreement still had a month to run.

"My great regret in this business is that we could have turned in a much better performance had we been able to get our labour relations right," he told a conference in London.

Referring to the ability of unions to honour agreements, he said: "We do not have the basis for a planning agreement."

Mr. John Boyd, general secretary of the Amalgamated Union of Engineering Workers, said later on Independent Television News that Sir Terence had a "very narrow point." There would have been no value in the union telling its members it would make the strike official in four weeks' time. Ford should have been "much more forthcoming" in indicating what it was willing to offer.

Trade investment plans, Page 9
Fewer strikes, but days lost up 20 per cent, Page 10

start having a beneficial impact.

As for the second half, Tootal is expecting some recovery in UK earnings and the group should be able to push the full year's profits up to £22m-£23m.

Admittedly, the disappearance

of the Temporary Employment

Subsidy helps underline the

improvement; nevertheless,

Tootal's profits, which jumped

from £9.3m to £21.8m over the

previous three years, seem to

be approaching a plateau.

THE LEX COLUMN

Export problems for Tootal

Index fell 8.2 to 506.0

110

105

100

95

90

85

80

75

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